



PROPRIETARY SCHOOLS

AD MINISTRATIVE GUIDELINES



JENNIFER GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
Office of Postsecondary Services

DAVID C. HOLLISTER
DIRECTOR

PROPRIETARY SCHOOL ADMINISTRATIVE GUIDELINES

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RENEWAL OF PERMIT OR LICENSE – IN-STATE

Policy:

A school license issued by the Office of Postsecondary Services shall be valid for not more than 1 year. A school may not operate with an expired license. All licenses expire on June 30. Schools must submit a complete renewal application and applicable fee for Office of Postsecondary Services approval and issuance of a new license. Failure to submit evidence of surety shall invalidate a license to operate a proprietary school.

The Office of Postsecondary Services shall renew a school's license each year if a school has not engaged in any conduct prohibited by these rules and complies with all of the following provisions: meets the standards of operation under which the license was issued, completes the annual special reports required by the Office of Postsecondary Services, renews the surety, and the annual fee is paid.

Authority:

Public Act 148 of 1943, 395.101 Proprietary school; license; duration; renewal; revocation; granting temporary permit or license to operate proprietary school in conjunction with another business or commercial enterprise prohibited.

Sec. 1 (1) A proprietary school shall secure from the board a license issued in the form prescribed by the board and in accordance with this act. (2) A license issued under this act shall be valid for not more than 1 year. If the applicant continues to comply with this act and the rules promulgated under this act, the license may be renewed. (3) The license may be revoked at any time if, in the judgment of the board, the person to whom the license is issued is not complying with provisions of the law or the rulings of the board. (4) A person shall not be granted a temporary permit or a license to operate a proprietary school as part of, or in conjunction with, another business or commercial enterprise which utilizes or sells goods or services produced by students.

395.102 Issuance of license; conditions; temporary permit to operate proprietary school; proposal; contents; duration of temporary permit; renewal. Sec. 2. (1) A license shall not be issued until the application has operated under a temporary permit in a manner satisfactory to the board and until the board has approved the method and content of the advertising, the standards and the methods of instruction, the personnel, and the operating and instructional practices of the school. (2) A temporary permit to operate a proprietary school may be granted on the basis of a written proposal submitted in the manner and form prescribed by the board. The proposal shall include plans for facilities, instructional procedures, personnel, business standards, and operating and instructional practices which comply with this act and with rules promulgated under this act. A temporary permit issued under this act shall be valid for not more than 1 year. If the applicant continues to comply with this act and the rules promulgated under this act, a temporary permit may be renewed.

395.102a Inspection of proprietary schools; rules; reports; records; fees; board jurisdiction and control over proprietary schools and solicitors. (2) The board shall set and collect fees for licenses, temporary permits, and renewals issued under this act. The fees shall be used solely for administrative expenses incurred under this act. (3) The board shall exercise jurisdiction and control over proprietary schools

and solicitors for proprietary schools consistent with this act and Act No. 40 of the Public Acts of 1963, being sections 395.121 to 395.125 of the Michigan Compiled Laws.

395.102b Evidence of surety; bond; amount; rules; expiration of surety; proof of renewal; failure to submit evidence of surety; applicability of section. Sec. 2b. A proprietary school shall provide the board with evidence of surety conditioned to provide indemnification to a student suffering loss because of inability to complete an approved course or program of study due to the closing of the proprietary school. A surety may consist of a bond, the amount of which shall be determined according to rules promulgated by the board. Surety shall expire on June 30 following the date of issuance and proof of renewal shall be submitted to the board prior to the date of expiration. Failure to submit evidence of surety shall invalidate a license to operate a proprietary school.

390.562 Licensing procedure. Rule 2. (6) The department shall issue a license if an evaluation of the school shows that it has been in compliance with the act and these rules for the previous 12 months. (7) The board may revoke, or not renew, a school's license or permit for 1 or more of the following reasons: (a) Intentional violation of any commitment made in an application for a license or permit. (b) Furnishing false, misleading, or incomplete information to the department. (c) Violation of any provision of the act or these rules. (8) The board shall not revoke a school's license or permit or refuse to renew a license or permit unless it conducts a hearing under sections 71 to 92 of Act No. 306 of the Public Acts of 1969, as amended, being SS24.271 to 24.292 of the Michigan Compiled Laws.

390.563 Continuation of licenses. Rule 3. (1) The department shall renew a school's license each year if a school has not engaged in any conduct prohibited by these rules and complies with all of the following provisions: (a) meets the standards of operation under which the license was issued. (b) Completes the annual special reports required by the department. (c) The surety is renewed and, if necessary, adjusted annually. (d) The annual fee is paid as prescribed by R 390.569.

390.569 Fees. Rule 9. (2) An applicant for renewal of a license shall pay a fee of \$300.00 for each renewal license issued if a total of 25 or fewer students started a licensed program during the period July 1 to June 30 immediately preceding the license renewal date or if the school did not offer any instructional programs consisting of more than 40 hours of instruction. An applicant for a renewal of a license for a proprietary school that operates 1 or more instructional programs consisting of more than 40 hours of instruction shall pay a license renewal fee based on the following schedule of students who started licensed programs: (a) 26 to 50 students - \$500.00 (b) 51 to 100 students - \$600.00 (c) 101 to 150 students - \$700.00 (d) 151 to 200 students - \$800.00 (e) 201 to 250 students - \$900.00 (f) 251 to 300 students - \$1,000.00 (g) 301 to 350 students - \$1,100.00 (h) 351 to 400 students - \$1,200.00 (i) 401 to 450 students - \$1,300.00 (j) 451 to 500 students - \$1,300.00 (k) More than 500 students - \$1,500.00. The department shall adjust fees annually and shall index the fees to the Detroit consumer price index, as published by the department of labor statistics, United States department of labor. (3) An applicant for renewal of a license shall pay a late payment fee of \$50.00 if the license is not renewed within 30 days after the due date.

Procedure:

- A. The Office of Postsecondary Services will send a renewal notice to all of the schools that are currently licensed. The renewal application is available on the administrative web site (<http://admin.michiganps.net>). (Attachments 1-5) Office of Postsecondary Services staff: The date the application was sent will be recorded in the renewal record of the administrative web site.
- B. Office of Postsecondary Services Staff: When each renewal component is received the date will be entered into the renewal record of the administrative web site along with staff assignments. (Attachment 2)
- C. The following items are reviewed by staff for completeness:
 1. Renewal Application Checklist and Certification
 - a. school must sign, date and submit the Renewal Application Checklist and Certification (Attachment 2).
 2. School Information Update
 - a. schools submit information online (Attachment 3).
 3. Program Enrollment Report
 - a. school enters the total number of starts on the administrative web site and prints the Program Renewal Info Form.
 - i. student starts are defined as students who, as a result of their actual or projected attendance during the period July 1 to June 30 immediately preceding the permit or license renewal date who incur a tuition/fee or other financial obligation as specified by the institution's refund policy. Tuition/fees or other obligations (i.e., uniforms, tools, etc.) are only those associated with actual attendance; not those considered part of the application for admission or enrollment process.
 - ii. student starts are inclusive of all program offerings whether public, corporate, or business.
 - iii. a student start shall be counted once for each individual who begins any part of an approved program.
 4. Program Renewal Info Form (serves as an invoice)
 - a. school prints and submits Program Renewal Info Form with a certified check or money order in the amount indicated on the form.
 - b. DLEG accounting assigns a receipt number.
 - c. Office of Postsecondary Services staff enters check amount and receipt number into the database.
 5. Personnel Information (See Policy 8.0 – School Personnel Approval)
 - a. school enters personnel information on the administrative web site (Attachment 3).
 - b. Office of Postsecondary Services staff reviews documented personnel information while on site.

6. Surety Bond (See Policy 7.0 – Surety Bond)
 - a. Surety Bond and Surety Bond Information and Checklist form (Attachment 4).
 - b. Office of Postsecondary Services staff verifies information is correct and complete and enters it into the database.
 7. School catalog and School Catalog Information form (See Policy 11.0 – School Catalog)
 - a. school submits school catalog and School Catalog Information form (Attachment 5).
 - b. Office of Postsecondary Services staff approves catalog, initials and dates form and attaches to the catalog.
 8. Copy of School's Advertising (See Policy 9.0 – Advertising and Marketing)
 - a. schools must certify on the attached checklist that only approved program offerings appear in their advertising (Attachment 2).
 - b. schools and solicitors may not advertise in any way that may be construed as false or misleading.
 - c. a license, permit, or solicitor's permit shall not be issued until the method and content of advertising has been approved by the Office of Postsecondary Services.
 - d. this includes all publications such as, but not limited to, traditional advertising, catalogs, and web sites.
 9. Fire, Health, Safety and Sanitation Requirements (See Policy 10.0 – Fire, Health, Safety and Sanitation Requirements)
 - a. schools must certify to most recent fire inspection on the attached checklist (Attachment 2).
 - b. schools are required to adhere to all local, state and federal regulations regarding safety and sanitation of equipment and materials.
 - c. inspection reports or certificates of occupancy must be updated and approved by the Office of Postsecondary Services for each change of address or when structural changes occur to the building.
 - d. date of inspection is entered into the database.
- D. OPS staff will contact the school via e-mail or by telephone if the renewal application is incorrect or incomplete.
- E. OPS staff enters the renewal approval date and their initials in the administrative web site.
- F. OPS staff prints the appropriate permit or license and sends it to the school. A copy is maintained in the school's file. The completion date in the renewal record is marked with the date the renewal document is sent.

Attachments:

- 1 – Renewal of License or Permit Memo
- 2 – In-State Renewal Application Checklist and Certification
- 3 – Instructions for Entering Renewal Data
- 4 – Surety Bond form and Checklist
- 5 – School Catalog Information Form

Attachment 1

TO: Director of a Licensed Michigan Proprietary School
FROM: Director
Office of Postsecondary Services
DATE:
SUBJECT: Instructions for Renewal of Proprietary School License

Included are instructions for renewal of your proprietary school license. The renewal process consists of an electronic process with accompanying documents.

The following forms are included in this application packet and are also available on the administrative web site (<http://admin.michiganps.net>) under the *Forms & Certificates* tab:

- *Renewal Application Checklist and Certification*
- *Instructions for Entering Renewal Data*
- *Surety Bond Form and Surety Bond Information and Checklist*
- *School Catalog Information Form*

The School Information Update form and the Program Enrollment form are available on the administrative web site (<http://admin.michiganps.net>) for schools to enter their own data. As soon as the data is entered, it will immediately appear on the Proprietary School web site (www.michiganps.net) and be available for the general public to view. Instructions on entering this data are attached.

All applications for renewal of proprietary school license must be completed and received in our office no later than DATE in order to assure that your license is issued prior to July 1. Your current license expires on June 30. Operating without a valid license beyond July 1 is prohibited by law.

Incomplete applications will be returned, which will delay our review. Be sure to complete the *Renewal Application Checklist* and submit with your completed packet. For assistance in completing your application packet you may contact the following staff:

Staff Person

E-Mail

Telephone

Attachment 2**IN-STATE RENEWAL APPLICATION CHECKLIST & CERTIFICATION**

This checklist must be completed and submitted with the renewal application packet.

- ☐ **Renewal Application Checklist and Certification:** This *Renewal Application Checklist and Certification* has been completed, signed and is enclosed with this renewal application packet.
- ☐ **School Information Update:** The online *School Information Update* has been reviewed and any changes have been submitted through the web site.
- ☐ **Program Enrollment Report:** The online *Program Enrollment Report* has been completed and has been submitted through the web site.
- ☐ **Program Renewal Info Form:** A certified check or money order made payable to the **State of Michigan** is enclosed and mailed with a completed copy of the *Program Renewal Info* form printed from the web site for the renewal fee.
- ☐ **Personnel Information:** *Personnel Information* has been completed for all administrative and instructional personnel and either previously submitted by mail or electronically through the web site. Schools must continue to submit new personnel information electronically as staff members are hired.
- ☐ I certify that personnel information has been submitted for all supervisory, administrative, and instructional personnel. I further certify that all personnel meet the requirements under Public Act 148 of 1943 and its rules.
- ☐ **Surety Bond:** The original *Surety Bond form* has been completed, signed and is enclosed with this renewal application packet.
- ☐ **School Catalog and School Catalog Information Form:** A copy of the current school catalog is enclosed and attached to the completed *School Catalog Information Form* with this renewal application packet.
- ☐ **School Web Site Address (if applicable):** _____

CHECK ONE OR MORE OF THE FOLLOWING:

- ☐ **Copy of School's Advertising & Marketing:** All of the school's advertising remains the same, including the web site and has previously been submitted to the Proprietary School Unit.
- ☐ **Copy of School's Advertising & Marketing:** A copy of the school's advertising is enclosed with this renewal application packet.
- ☐ **Copy of School's Advertising & Marketing:** This school does not advertise outside the contents of the catalog.

CHECK ONE OR MORE OF THE FOLLOWING:

- ☐ **Most Recent Fire Inspection:** The most recent Fire Inspection for the school's current location is listed on the administrative web site under **Maintain School Data** and then **School Info**.
- ☐ **Most Recent Fire Inspection:** This school has had new construction done on our building; therefore the subsequent Fire Inspection is attached. (Note: Fire Extinguisher Reports, Sprinkler Reports and Fire Inspection Reports with violations noted will not be accepted.)
- ☐ **Most Recent Fire Inspection:** The most recent Fire Inspection for the school's current location is enclosed with this application. (Note: Fire Extinguisher Reports, Sprinkler Reports and Fire Inspection Reports with violations noted will not be accepted.)

ADDITIONAL CERTIFICATIONS

I am aware that I must inform the Office of Postsecondary Services before my school changes location, before adding programs or personnel, or before the school closes. In the event of school closure, I am aware that I must surrender the student transcripts to the State of Michigan. Further, I certify that the information noted on this checklist, the renewal application and on the web site is true and correct and only approved program offerings appear in advertising. I understand that I must abide by Public Act 148 of 1943, and failure to do so may result in license revocation and/or criminal prosecution, and that by signing, I am stating that I am legally authorized to represent this school.

Signature _____

Date _____

Typed Name _____

Title _____

Typed School Name _____

City _____

Attachment 3**INSTRUCTIONS FOR ENTERING RENEWAL DATA****LOG-ON**

1. Identify User ID and Password. If you are unable to remember your Login ID and Password, e-mail Ann Bradley at bradleya@michigan.gov.
2. Log-on to the following web site: <http://admin.michiganps.net>. For security reasons, this web site address is only given to licensed proprietary schools.
3. Left click on the blue tab on the left hand side of the screen called **Login**.
4. A box called **PS Admin Login** will appear. Enter your User ID in the space called **Login ID**. Tab to the space called **Password**. Enter your password in the corresponding space. Left click on **Login**.
5. A new screen will appear. Select the blue tab called **Maintain School Data** by left clicking on it.

ENTER SCHOOL INFORMATION

6. Above this tab, you will see four options. Select the **School Information** tab by left clicking on it.
7. A new screen will appear that says **School Information**. You will see two gray boxes below. The first says **Modify Information**. The other says **Notify State**. Schools can modify any information shown in black. To do this, left click on **Modify Information**. Any information in gray must be approved by the State. In this case you will left click on **Notify State**.
8. If you choose **Modify Information** by left clicking on it, you will see a new screen called **Modify School Information**. You can tab from one box to the next until you see the information you want to modify. Left click the cursor in the box you want to modify and type in the correct information. Tab to the next box. If you see an arrow, left click on the arrow. You will see two or more selections for that field. Left click on the correct selection. Continue this process until you reach the end of the form. At this point, left click on **Submit Changes** to finish modifying the school information. **If you do not click on this, your information will not be modified.** If you change your mind or make an error while entering the new information, left click on **Reset Original Values**. The information will revert to its original form. If you change your mind and want to complete this at a later time, you can scroll up to the top of the page and left click on **Logout**. **Note that changes will not be saved if you logout.**
9. If you choose **Notify State** by left clicking on it, you will see a new screen called **Notify State of School Information Changes**. You can tab from one box to the next until you see the information you want to modify. Left click the cursor in the box you want to modify and type in the correct information. Tab to the next box. Continue this process until you reach the end of the form. At this point, left click on **Submit Notification** to finish submitting the changes. Our office will contact you to inform you of any further requirements. If you change your mind or make an error while entering the new information, left click on **Reset Original Values**. The information will revert to its original form. If you change your mind and want to complete this at a later time, you can scroll up to the top of the page and left click on **Logout**. **Note that changes will not be saved if you logout.**

ENTER PROGRAM ENROLLMENT

10. To enter the Program Enrollment data, left click on the **Program Enrollment** tab at the top of the screen.
11. A new screen will appear called **Program Enrollment**. You will see all programs that have been active for your school since July 1, of the previous year listed on the right side of the screen. To update a program, left click on it.
12. A new screen will appear called **Update Program (CIP Code and Title Listed)**. Schools can modify any information shown in black. Any information in gray must be approved by the State. In this case you will left click on **Notify State**.

You must enter the number of Student Starts and the number of Student Completions for the period of time from July 1 – June 30 of the previous year for your school, however entry of Student Placements is optional.

13. To update the program, you can tab from one box to the next until you see the information you want to modify. Left click the cursor in the box you want to modify and type in the correct information. Tab to the next box. Continue this process until you reach the end of the form. At this point, left click on **Submit Changes** to finish modifying the school information. **If you do not click on this, your information will not be modified.** Continue this process for each program listed on the right side of your screen. If you change your mind or make an error while entering the new information, left click on **Reset Original Values**. The information will revert to its original form. If you change your mind and want to complete this at a later time, you can scroll up to the top of the page and left click on **Logout**. **Note that changes will not be saved if you logout.**
14. If you choose **Notify State** by left clicking on it, you will see a new screen called **Notify State of Program Enrollment Changes**. You can tab from one box to the next until you see the information you want to modify. Left click the cursor in the box you want to modify and type in the correct information. Tab to the next box. Continue this process until you reach the end of the form. Continue this process for each program listed on the right side of your screen. When completed, left click on **Submit**

Notification to finish submitting the changes. Our office will contact you to inform you of any further requirements. If you change your mind or make an error while entering the new information, left click on **Reset Original Values**. The information will revert to its original form. If you change your mind and want to complete this at a later time, you can scroll up to the top of the page and left click on **Logout**. **Note that changes will not be saved if you logout.**

PRINT PROGRAM RENEWAL INFO

15. After you have entered the data for each program and submitted the information, left click on the **Program Renewal Info** tab.
16. A new screen will appear called **Program Renewal Info**. This page will list the number of Starts, Completions and Placements that were added for your school. Based on your enrollments, the fee you owe will be listed on this page. Exception: If each of your programs consisted of 40 clock hours or less, you will only owe the minimum fee for this year.
17. Print this page out and send it with your certified check or money order made payable to the **State of Michigan**. The address is listed on the **Program Renewal Info** page.

ENTER PERSONNEL INFORMATION

18. To enter the **Personnel Information**, left click on the **Change Request** tab. On the right side of the screen you will see the following options:

- Change Name
- Change Location
- Change Owner
- Change Program
- Personnel Info

You can select one or all of these options as needed. After you have finished entering your changes in the appropriate sections, you will click on Certification. Once you have submitted the Certification, you will not be able to make any other changes until the Proprietary School Unit has reviewed your application. After certifying, you will be directed to the **Fees & Documents** section. This will direct you regarding any additional information that needs to be submitted with your personnel qualification form.

19. Scroll up to the top of the screen. Left click on the blue **Logout** tab. Your online data entry has been completed.
20. To insure that your data has posted correctly, you can click on the white **Michigan Proprietary Schools** link at the top of the screen or log on to www.michiganps.net and select your school.

Attachment 4

(Surety Bond Number)

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH
Office of Postsecondary Services - Proprietary School Unit
Victor Office Center, 4th Floor · 201 N. Washington · Lansing, MI · 48913
Telephone: 517.373.6774

SURETY BOND

This form must be completed with insurance agent who handles home and business insurance.
 Both the insurance agent and the school representative must sign this surety bond in the designated places below.
 All blanks must be completed. For further information, please see the reverse side of this sheet.

We, _____
 (NAME OF SCHOOL)

whose Post Office address is _____

the principal, and _____
 (NAME OF SURETY)

a corporation organized and existing under the laws of the State of _____

and duly authorized to do business in the State of Michigan, having its principal office address at _____

 (STREET, CITY, STATE, ZIP)

the surety, is held and firmly bound unto the State of Michigan in the sum of \$ _____ to the payment whereof, the above parties truly bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally firmly by virtue of their duly authorized signatures.

Signed and sealed this _____ day of _____ C.E. _____

WHEREAS, the above-named principal desires to establish and operate a private trade school, business school, institute, or correspondence school under the provisions of Public Act 148 of 1943, as amended, NOW, THEREFORE, the condition of this obligation is that the principal shall operate the private trade school, business school, institute, or correspondence school. Any student suffering loss because of inability to complete a course or program of study at the principal, due to the closing of the institution, the surety agrees to indemnify. The surety bond shall be renewed and adjusted annually on June 30, and new evidence of surety shall be filed with the Department pursuant to the requirements of Public Act 148 or 1943, as amended. The amount of indemnification will be based upon the total fees paid to the institution by the students who have not completed their courses.

PERIOD OF SURETY BOND: July 1, _____ to June 30, _____

Provided, however, that the liability of this Surety bond shall not exceed the penalty as stipulated above. In WITNESS WHEREOF, the said principal has caused this instrument to be executed this _____ day of _____.

PRINCIPAL _____ / _____ / - -
 (Signature) (Typed Name) (Date)

SURETY _____ / _____ / - -
 (Signature) (Typed Name) (Date)

SEAL OF SURETY
 (Place seal in the space above)

Mail the original surety bond with this application packet. Keep a copy for your records.

See other side for surety bond information and checklist.



SURETY BOND INFORMATION AND CHECKLIST**PART I****AMOUNT OF SURETY - NON-ACCREDITED SCHOOLS**

Your surety amount must be equal to \$200.00 per student, but not less than \$5,000.00.

-or-

Use the following formula to determine surety amount:

- 1)** Schools must determine the total number of student starts for each program listed on their license.
- 2)** Each student start must show the number of clock hours the student was enrolled in from July 1 to June 30 of the previous year.
- 3)** School totals the number of clock hours for each student enrollment. This provides the total number of student hours.
- 4)** The total number of student hours is divided by the total number of clock hours required to complete the program, as listed on the license. This will give the school the number of full-time equated (FTE) students for that program.
- 5)** School repeats steps 1-4 for each approved program and totals the FTE's.
- 6)** The total FTE is multiplied by \$200.00, giving the school the amount of surety required, which cannot be less than \$5,000.00.

Number of students enrolled July 1 – June 30 of last year _____ Amount of Surety Bond \$ _____

PART II**AMOUNT OF SURETY - ACCREDITED SCHOOLS**

Your surety amount is based on the number of students who attend your school.

- 1-100 full-time equated students\$ 5,000.00 surety
- 101-500 full-time equated students.....\$ 7,500.00 surety
- 501-1,000 or more full-time equated students.....\$10,000.00 surety

Number of students enrolled July 1 – June 30 of last year _____

Accredited by USDE recognized accrediting body? ☐ YES ☐ NO

If yes indicate body _____ Amount of Surety Bond \$ _____

PART III**SURETY BOND CHECKLIST**

Each box below corresponds, sequentially, to each blank to be completed on the reverse side of this surety bond form. Check each box to make sure the surety bond (on the reverse side of this page) is complete.

- ☐ Surety bond number is listed on the top right hand corner of the surety bond.
- ☐ The exact legal name of school is listed as it appears on the school's permit or license **or** corporation name doing business as (d.b.a) exact legal name of school
- ☐ The correct location of the school is listed as it appears on the school's permit or license
- ☐ The name of the insurance company (not agency) is given.
- ☐ The state where the insurance company is located is given.
- ☐ The street, city, state of the insurance company is given.
- ☐ Amount of bond is given.
- ☐ Date surety bond is signed and sealed is given.
- ☐ Period of surety bond is given (State law requires all surety bonds to expire June 30 annually).
- ☐ Date surety bond is given.
- ☐ Signature and typed name of school representative is given.
- ☐ Signature and typed name of insurance company representative is given.
- ☐ Seal is stamped on the space provided.
- ☐ Check box which confirms that the **original** copy of this surety bond was mailed to the Office of Postsecondary Services, Department of Labor and Economic Growth (School and insurance agency should each keep a copy)

Attachment 5**SCHOOL CATALOG INFORMATION FORM**

Complete this catalog information form and submit with a copy of the school catalog.

SCHOOL NAME _____

CATALOG PUBLICATION DATE _____

SCHOOL ADDRESS _____

- ☐ A copy of the school catalog is enclosed.
☐ A copy of the student contract is attached.
☐ A student admissions application is attached.

Indicate the catalog page(s) on which the following catalog information is listed.
Each item must be addressed. "Not Applicable (N/A)" answers will not be accepted.

| <u>CATALOG CATEGORY</u> | <u>PAGE NUMBER</u> |
|---|--------------------|
| 1. Catalog volume, number or date of publication | _____ |
| 2. School name and address | _____ |
| 3. Address of central office | _____ |
| 4. School Web Site Address | _____ |
| 5. Names of Governing Bodies | _____ |
| 6. Names of Administrators, Directors, Managers, Instructional Supervisors | _____ |
| 7. Instructors and their approved subject matter | _____ |
| 8. Calendar of school holidays, vacation periods, and dates of each term or semester including class schedules ... | _____ |
| 9. Enrollment dates and entrance requirements for each program | _____ |
| 10. Policy relative to absences, leaves, tardiness, make-up work, and suspension for unsatisfactory work or attendance and re-entrance conditions | _____ |
| 11. Grading system and reentrance conditions | _____ |
| 12. Rules of student conduct and conditions for probation or dismissal | _____ |
| 13. Tuition charges and fees for student activities, laboratories, rentals, deposits, and other charges | _____ |
| 14. Course Outlines, showing unit of instruction, skills to be learned, and approximate clock hours of instruction in each course | _____ |
| 15. Credit allowed for previous education and training | _____ |
| 16. Information regarding credit allowed for previous education and training | _____ |
| 17. If equipment to be furnished by the school are essential to the training is located at a place other than the school, it shall so be stated in the catalog | _____ |
| 18. Whether specific placement assistance is available for enrolled students | _____ |
| 19. Graduation requirements | _____ |
| 20. Type(s) of certificate(s) or diploma(s) issued | _____ |
| 21. Refund policy. Note: The school catalog must include the following statement or similar content | _____ |

"All tuition and fees paid by the applicant shall be refunded if the applicant is rejected by the school before enrollment. An applicant fee of not more than \$25.00 may be retained by the school if the applicant is denied. All tuition and fees paid by the applicant shall be refunded if requested within three business days after signing a contract with the school. All refunds shall be returned within 30 days.

SCHOOL CHANGES

NAME, LOCATION, OWNERSHIP, PROGRAM

Policy:

The Office of Postsecondary Services must approve the following changes to a school's current license: school name, location, ownership and addition of a program(s). Applicable fees must be paid to change school name, address, and add new programs. Fees for curriculum changes to currently approved programs may be applicable (see Policy 28.0 – Programs and Courses). There is no fee for change in ownership. Changes are not considered approved until a new license is issued that indicates the changes.

Additional changes that do not require state approval are: deletion of program(s), telephone number, e-mail address, website address, tuition fee, contact person, title of contact person, and program name (if content remains the same). These changes are submitted electronically through the proprietary school administrative website (<http://admin.michiganps.net>). Schools must use their login ID and password to gain access to the website.

All changes must be reflected in the school catalog (See Policy 11.0 – School Catalog).

Authority:

Public Act 148 of 1943, 390.562 Licensing Procedure Rule (3) Housing and facilities shall conform to standards specified by the appropriate local and state authorities.

390.564 Standards for operation. Rule 4. (10) Equipment and materials shall meet local and state fire, health, safety, and sanitation requirements. (13) A school shall notify the department before a change in location.

390.565 School catalogs or comparable publications. Rule 5. A catalog or comparable publication shall be available to each student and shall clearly state all of the following: (a) Volume, number, or date of publication. Supplements to catalogs shall be filed with the department before their dates of effectiveness. All pages in the catalog shall be numbered. (See Policy 11.0 - School Catalog).

390.569 Fees. Rule 9. (2) The department shall adjust fees annually and shall index the fees to the Detroit consumer price index, as published by the department of labor statistics, United States department of labor. (4) A school that moves to a new location after the initial license was issued shall pay a fee of \$300.00 for approval of each change of location. (6) A school that submits a request for a change of school name on its license will pay a fee of \$200.00. (9) A school or person shall make a payment under this rule by certified check or money order made payable to the state of Michigan.

Procedure:

- A. Schools must electronically submit their changes via the proprietary school administrative website (<http://admin.michiganps.net>). Schools must use their login ID and password to gain access to the website.
- B. Schools must submit required documentation for approval.
 1. Change in School Name:
 - a. on-line application (See PSU administrative site – Maintain School Data, Change Request, Change Name).
 - b. a bond or rider showing the new name of the school (See Policy 7.0 - Bond)
 - c. an invoice and certified check or money order for the applicable fee
 - d. articles of incorporation citing assumed name or revised doing business as (d.b.a.) certificate.
 2. Change of Location:
 - a. on-line application (See PSU administrative site – Maintain School Data, Change Request, Change Location).
 - b. a bond or rider showing the new address of the school (See Policy 7.0 - Bond)
 - c. a fire inspection or certificate of occupancy (See Policy 10.0 - Fire, Health, Safety, and Sanitation Requirements).
 - d. the floor plan of the new location
 - e. an invoice and certified check or money order for the applicable fee
 - f. a satisfactory inspection report must be completed before a change in location will be approved (See policy 18.0 – Inspection/Technical Assistance).
 - g. students may not occupy a change of location until a new license is issued
 3. Change in Ownership:
 - a. on-line application (See PSU administrative site – Maintain School Data, Change Request, Change Owner).
 - b. a copy of legal evidence showing the transfer of ownership agreement signed by the buyer and the seller. If ownership is a corporation, limited liability corporation, or a sole proprietorship, it must also submit articles of incorporation or doing business as (d.b.a.) changes.
 - c. a new bond or rider showing applicable changes (See Policy 7.0 – Bond)
 - d. there is no fee for a change in ownership
 4. Addition or Change of a Program: (applicable if the program change results in more than a 50% increase or decrease in clock hours. If the change in program clock hours is 50% or less, schools must submit a statement indicating changes to curriculum. No other action is required).
 - a. on-line application (See PSU administrative site – Maintain School Data, Change Request, Change Program).
 - b. a curriculum outline
 - c. a personnel qualification form for each instructor who will be teaching the new program (See Policy 8.0 - School Personnel Approval)
 - d. addendum to catalog (See Policy 11.0 – School Catalog)

- e. an invoice and certified check or money order for the applicable fee for each new program that is added
 - f. an application and fees may also be applicable to currently approved program(s) (see Policy 28.0 – Programs and Courses)
- 5. Program Name Change:
 - a. on-line application (See PSU administrative site – Maintain School Data, Change Request, Change Program).
 - b. certification from the school states the curriculum has remained the same
- C. A change in the school catalog must be made that reflects each of the above changes (See Policy 11.0 – School Catalog).
- D. Schools will be notified of approved changes through the issuance of a new license.
- E. Schools may change their telephone number, email address, website address, tuition charges and schedule of fees, contact person, title of contact person, program name, and program deletion via the proprietary school administrative website (<http://admin.michiganps.net>). Schools must use their login ID and password to gain access to the website. School must delete programs that are no longer offered. No fee is required for these changes.
- F. All changes resulting in the issuance of a new license must be approved by the Director or designee prior to issuance.

SCHOOL PERSONNEL APPROVAL

Policy:

Schools must have Office of Postsecondary Services approval of administrative, supervisory and instructional staff. A qualified instructor approved by the Office of Postsecondary Services must teach each approved program or course. Instructional personnel who teach in a field requiring a certificate or license shall possess such a certificate or license. School owners and/or governing body must be identified.

Administrative, supervisory, and instructional staff includes all staff that performs or has oversight of admissions, academic, and student support functions.

Authority:

Public Act 148 of 1943, 395.102, Sec.2. (1) A license shall not be issued until the applicant has operated under a temporary permit in a manner satisfactory to the board and until the board has approved the method and content of the advertising, the standards and the methods of instruction, the personnel, and the operating and instructional practices of the school. (2) A temporary permit to operate a proprietary school may be granted on the basis of a written proposal submitted in the manner and form prescribed by the board. The proposal shall include plans for facilities, instructional procedures, personnel, business standards, and operating and instructional practices, which comply with this act and with rules promulgated under this act. A temporary permit issued under this act shall be valid for not more than 1 year. If the applicant continues to comply with this act and the rules promulgated under this act, a temporary permit may be renewed.

390.564 , Rule 4. (1) Owners shall have a satisfactory record of business integrity and ethical practices and shall possess financial resources adequate to fulfill the school's obligations. (2) Data relative to the education, training, and experience of the administrative, supervisory, and instructional staff shall be submitted, on forms provided by the Office of Postsecondary Services, for evaluation as to the competency to instruct or supervise instruction in the subjects assigned to teach. Instructional personnel who teach in a field requiring a certificate or license shall possess such a certificate or license.

Public Act 40 of 1963, 340.474, Rule 4. (1) In its written application, the management or governing body of a school shall be identified as a person or persons of integrity in character and business practices. (2) The school shall file in writing with the state board of education personnel qualification data for administrators, directors and other administrative or management personnel employed by the governing body.

340.477, Rule 7. (1) The school shall file with the state board of education instructional personnel qualification data for all instructional personnel. Instructional personnel shall be competent to instruct or supervise instruction in the subjects assigned to them. (See Policy 5.0 – Solicitor Permit).

340.478, Rule 8. (1) The school shall file with the state board of education, instructional personnel qualification data for all people involved in correctional instructional service. Such personnel shall have the ability to score and constructively criticize examination and other evaluative papers submitted by the students and to direct students involved in overcoming observed deficiencies.

Procedure:

- A. Schools must electronically submit personnel information via the administrative web site (<http://admin.michiganps.net>) for administrative, supervisory, and instructional staff.
 - 1. Each persons who serves as an administrator, supervisory, and/or instructor must be identified and approved by the Office of Postsecondary Services.
 - 2. Schools' minimum qualifications for each position must demonstrate that minimum standards meet occupation or industry standards.
- B. Documented personnel information is reviewed by staff while on site utilizing the following criteria as to the competency to instruct or supervise instruction in the subjects assigned:
 - 1. Education and training attainment is consistent with area of instruction and responsibility.
 - 2. Relevant administrative, supervisory, and teaching experience is consistent with school's approved minimum qualifications.
 - 3. For instructor, previous subject matter teaching experience is identified.
 - 4. Documentation of certificate or license is available.
- C. Schools are required to obtain instructor approval before classes are taught by the instructor.
- D. Schools must verify instructor approval on the administrative web site.
- E. Schools must remove persons no longer employed on the administrative web site.
- F. The business integrity and ethical practices of owners will be evaluated on a case-by-case basis.
- G. The obtainment and submission of a surety bond (See Policy 7.0 – Surety Bond) and the submission of an acceptable three-year business plan shall fulfill the evaluation requirements of an owner possessing financial resources adequate to fulfill the school's obligations.

ADVERTISING AND MARKETING

Policy:

A license shall not be issued until the method and content of advertising has been approved by the Office of Postsecondary Services; this includes all publications such as, but not limited to, traditional advertising, catalogs, and web sites. Schools and solicitors may not advertise in any way that may be construed as false or misleading.

Authority:

Public Act 148 of 1943; 395.102 Issuance of license; conditions; temporary permit to operate a proprietary school; proposal; contents; duration of temporary permit; renewal. Sec. 2. (1) A license shall not be issued until the applicant has operated under a temporary permit in a manner satisfactory to the board and until the board has approved the method and content of advertising.

390.566 Advertising and recruitment. Rule 6. (1) The content of all published literature and advertising, illustrations, diagrams, and pictures shall convey only true meaning, relationships, and conditions supported by facts and statistics about the school, its management, instruction, offerings, and opportunities. (2) Misrepresentation as to any of the following is prohibited: (a) Suitable jobs. (b) Probable earnings. (c) School facilities. (d) Course of instruction. (e) Operational policy. (f) Management. (g) Charges for tuition and fees. (h) Available training equipment. (i) Qualification of instructors. (j) Placement activities of the school. (3) Only such persons shall be listed or advertised as members of the staff or faculty as are regularly employed to give or directly supervise the instruction in 1 or more of the regular subjects in the school. (4) The school shall not use blind advertisements to solicit prospective students nor shall it advertise in the "help wanted" or other employment column in newspapers or other publications. Advertising shall be in the name under which the school is licensed. (5) A licensed school may advertise that it is licensed by the board under the laws of Michigan, but it shall not advertise that the school is recommended, endorsed, or approved by the board. (6) An officer or employee of the school shall not knowingly induce a student to leave an educational institution at which he or she is in attendance and shall not induce a student to change his or her plans when he or she has enrolled in another school and paid a deposit.

Public Act 40 of 1963, 340.479 Advertising policies of out-of-state schools and solicitors. Rule 9. (1) For publicity or advertising purposes, a school or its solicitors shall use the name and home address of the school as stated in the certificate of compliance. (2) A school shall not promise or imply guarantee of placement of students. (3) Content of all published literature and advertising, illustrations, diagrams and pictures shall convey only true meaning, relationships and conditions supported by facts and statistics about the school, its management, instruction, offerings and employment opportunities of its graduates. (4) Only such persons shall be listed or advertised as members of the staff or faculty as are regularly employed to give or supervise the instruction in 1 or more of the regular subjects in the school. (5) Catalogs or informational literature shall clearly state specific information regarding the prerequisite training requirements for admission to courses and the duration of each course. (6) A school shall not solicit students through the "Help Wanted" columns of newspapers or periodicals or by means of "blind" advertisements. (7) A school shall not advertise that it is recommended, endorsed or approved by the Michigan state board of education. (8) Copies of proposed advertising shall be submitted with each application for a certificate of compliance.

Procedure:

A. New School

1. A sample of proposed advertising must be submitted at the time of application.
2. All advertising, including school catalog and web site, will be reviewed by Office of Postsecondary Services personnel during the initial inspection visit.

B. Out of state schools and solicitors

1. Copies of proposed advertising shall be submitted with each application for a certificate of compliance.

C. Renewal

1. Schools must certify that all advertising and marketing complies with standards of law and rule as stated, subject to inspection, and to on of the following statements (Attachment 1):
 - a. all of the school's advertising remains the same, including the web site, as previously submitted to the Office of Postsecondary Services.
 - b. a copy of the school's new advertising is enclosed with this renewal application packet.
 - c. this school does not advertise outside of the contents of the catalog.

D. Approval Criteria

1. The content of all published literature and advertising, illustrations, diagrams, and pictures shall convey only true meaning, relationships, and conditions supported by facts and statistics about the school, its management, instruction, offerings, and opportunities. Misrepresentations are prohibited.
2. All advertising will be reviewed and approved according to the following standards:
 - a. only such persons shall be listed or advertised as members of the staff or faculty as are regularly employed to give or directly supervise the instruction in one or more of the regular subjects in the school approved by the Office of Postsecondary Services.
 - b. the school shall not use blind advertisements to solicit prospective students nor shall it advertise in the "help wanted" or other employment column in newspapers or other publications. Advertising shall be in the name under which the school is licensed.
 - c. a licensed school may advertise that it is licensed by the board under the laws of Michigan, but it shall not advertise that the school is recommended, endorsed, or approved by the board.
 - d. an officer or employee of the school shall not knowingly induce a student to leave an educational institution at which he or she is in attendance and shall not induce a student to change his or her plans when he or she has enrolled in another school and paid a deposit.

E. Schools must certify on the attached checklist that only approved program offerings appear in their advertising. (Attachment 1).

Attachment 1

IN-STATE RENEWAL APPLICATION CHECKLIST & CERTIFICATION

This checklist must be completed and submitted with the renewal application packet.

- ☐ **Renewal Application Checklist and Certification:** This *Renewal Application Checklist and Certification* has been completed, signed and is enclosed with this renewal application packet.
- ☐ **School Information Update:** The online *School Information Update* has been reviewed and any changes have been submitted through the web site.
- ☐ **Program Enrollment Report:** The online *Program Enrollment Report* has been completed and has been submitted through the web site.
- ☐ **Program Renewal Info Form:** A certified check or money order made payable to the State of Michigan is enclosed and mailed with a completed copy of the *Program Renewal Info* form printed from the web site for the renewal fee.
- ☐ **Personnel Information:** *Personnel Information* has been completed for all administrative and instructional personnel and either previously submitted by mail or electronically through the web site. Schools must continue to submit new personnel information electronically as staff members are hired.
- ☐ I certify that personnel information has been submitted for all supervisory, administrative, and instructional personnel. I further certify that all personnel meet the requirements under Public Act 148 of 1943 and its rules.
- ☐ **Surety Bond:** The original *Surety Bond form* has been completed, signed and is enclosed with this renewal application packet.
- ☐ **School Catalog and School Catalog Information Form:** A copy of the current school catalog is enclosed and attached to the completed *School Catalog Information Form* with this renewal application packet.
- ☐ **School Web Site Address (if applicable):** _____

CHECK ONE OR MORE OF THE FOLLOWING:

- ☐ **Copy of School's Advertising & Marketing:** All of the school's advertising remains the same, including the web site, and has previously been submitted to the Proprietary School Unit.
- ☐ **Copy of School's Advertising & Marketing:** A copy of the school's advertising is enclosed with this renewal application packet.
- ☐ **Copy of School's Advertising & Marketing:** This school does not advertise outside the contents of the catalog.

CHECK ONE OR MORE OF THE FOLLOWING:

- ☐ **Most Recent Fire Inspection:** The most recent Fire Inspection for the school's current location is listed on the administrative web site under **Maintain School Data** and then **School Info**.
- ☐ **Most Recent Fire Inspection:** This school has had new construction done on our building; therefore the subsequent Fire Inspection is attached. (Note: Fire Extinguisher Reports, Sprinkler Reports and Fire Inspection Reports with violations noted will not be accepted.)
- ☐ **Most Recent Fire Inspection:** The most recent Fire Inspection for the school's current location is enclosed with this application. (Note: Fire Extinguisher Reports, Sprinkler Reports and Fire Inspection Reports with violations noted will not be accepted.)

ADDITIONAL CERTIFICATIONS

I am aware that I must inform the Office of Postsecondary Services before my school changes location, before adding programs or personnel, or before the school closes. In the event of school closure, I am aware that I must surrender the student transcripts to the State of Michigan. Further, I certify that the information noted on this checklist, the renewal application and on the web site is true and correct and only approved program offerings appear in advertising. I understand that I must abide by Public Act 148 of 1943, and failure to do so may result in license revocation and/or criminal prosecution, and that by signing, I am stating that I am legally authorized to represent this school.

Signature _____

Date _____

Typed Name _____

Title _____

Typed School Name _____

City _____

FIRE, HEALTH, SAFETY AND SANITATION REQUIREMENTS

Policy:

Schools are required to adhere to all local, state and federal regulations regarding safety and sanitation of equipment and materials.

All new proprietary schools must submit a fire inspection report or a certificate of occupancy for the training site. Schools that change their address must submit a fire inspection report or certificate of occupancy for the new address.

Students may not occupy a building until fire, health, safety, and sanitation requirements are met.

Authority:

Public Act 148 of 1943, 390.562 Licensing procedure. Rule 2. (3) Housing and facilities shall conform to standards specified by the appropriate local and state authorities.

390.564 Standards for operation. Rule 4. (10) Equipment and materials shall meet local and state fire, health, safety, and sanitation requirements.

Procedure:

- A. Upon application for a proprietary school license the facility must submit a fire inspection report or a certificate of occupancy.
- B. The report must contain no deficiencies, must be signed and dated and show the correct address of the facility.
- C. If a facility is providing food service or a public pool, health department inspections must be submitted.
- D. Fire inspections or certificates of occupancy must be updated and submitted to the Office of Postsecondary Services when structural changes occur to the building.
- E. Sprinkler reports and fire extinguisher reports are not acceptable.
- F. If a school moves, a fire inspection report/certificate of occupancy must be submitted with the application for a change of address. (See Policy 6.0 – School Changes).
- G. Fire inspection reports/certificates of occupancy must be issued by a city, township or county governmental agency.

H. Schools that conduct training at public assembly or auxiliary sites must maintain a copy of a fire inspection report or certificate of occupancy for each site where training is conducted, for Office of Postsecondary Services review. (See Policy 12.0 – Public Assembly).

I. Renewals

1. Schools must certify to one of the following statements (Attachment 1):

- a. the most recent fire inspection for the school's current location is listed on the administrative web site under Maintain School Data and then School Info.
- b. this school has had new construction done on our building; therefore the subsequent Fire Inspection is attached. (Note: Fire Extinguisher Reports, Sprinkler Reports, and Fire Inspection Reports with violations noted will not be accepted.)
- c. the most recent Fire Inspection for the school's current location is enclosed with this application. (Note: Fire Extinguisher Reports, Sprinkler Reports, and Fire Inspection Reports with violations noted will not be accepted.)

Attachment 1

IN-STATE RENEWAL APPLICATION CHECKLIST & CERTIFICATION

This checklist must be completed and submitted with the renewal application packet.

- ☐ **Renewal Application Checklist and Certification:** This *Renewal Application Checklist and Certification* has been completed, signed and is enclosed with this renewal application packet.
- ☐ **School Information Update:** The online *School Information Update* has been reviewed and any changes have been submitted through the web site.
- ☐ **Program Enrollment Report:** The online *Program Enrollment Report* has been completed and has been submitted through the web site.
- ☐ **Program Renewal Info Form:** A certified check or money order made payable to the **State of Michigan** is enclosed and mailed with a completed copy of the *Program Renewal Info* form printed from the web site for the renewal fee.
- ☐ **Personnel Information:** *Personnel Information* has been completed for all administrative and instructional personnel and either previously submitted by mail or electronically through the web site. Schools must continue to submit new personnel information electronically as staff members are hired.
- ☐ I certify that personnel information has been submitted for all supervisory, administrative, and instructional personnel. I further certify that all personnel meet the requirements under Public Act 148 of 1943 and its rules.
- ☐ **Surety Bond:** The original *Surety Bond form* has been completed, signed and is enclosed with this renewal application packet.
- ☐ **School Catalog and School Catalog Information Form:** A copy of the current school catalog is enclosed and attached to the completed *School Catalog Information Form* with this renewal application packet.
- ☐ **School Web Site Address (if applicable):** _____

CHECK ONE OR MORE OF THE FOLLOWING:

- ☐ **Copy of School's Advertising & Marketing:** All of the school's advertising remains the same, including the web site, and has previously been submitted to the Proprietary School Unit.
- ☐ **Copy of School's Advertising & Marketing:** A copy of the school's advertising is enclosed with this renewal application packet.
- ☐ **Copy of School's Advertising & Marketing:** This school does not advertise outside the contents of the catalog.

CHECK ONE OR MORE OF THE FOLLOWING:

- ☐ **Most Recent Fire Inspection:** The most recent Fire Inspection for the school's current location is listed on the administrative web site under **Maintain School Data** and then **School Info**.
- ☐ **Most Recent Fire Inspection:** This school has had new construction done on our building; therefore the subsequent Fire Inspection is attached. (Note: Fire Extinguisher Reports, Sprinkler Reports and Fire Inspection Reports with violations noted will not be accepted.)
- ☐ **Most Recent Fire Inspection:** The most recent Fire Inspection for the school's current location is enclosed with this application. (Note: Fire Extinguisher Reports, Sprinkler Reports and Fire Inspection Reports with violations noted will not be accepted.)

ADDITIONAL CERTIFICATIONS

I am aware that I must inform the Office of Postsecondary Services before my school changes location, before adding programs or personnel, or before the school closes. In the event of school closure, I am aware that I must surrender the student transcripts to the State of Michigan. Further, I certify that the information noted on this checklist, the renewal application and on the web site is true and correct and only approved program offerings appear in advertising. I understand that I must abide by Public Act 148 of 1943, and failure to do so may result in license revocation and/or criminal prosecution, and that by signing, I am stating that I am legally authorized to represent this school.

Signature _____

Date _____

Typed Name _____

Title _____

Typed School Name _____

City _____

SCHOOL CATALOG

Policy:

Each licensed school must maintain a school catalog or comparable publication approved by the Office of Postsecondary Services, in hard copy and/or electronic format that is available to the public including potential and current students. A school catalog is a publication that contains descriptive information including a list or itemized display of titles, course offerings, school policies, and student requirements.

School catalogs must be approved by the Office of Postsecondary Services prior to use. The Office of Postsecondary Services must approve any changes to a catalog. A current copy of the school's catalog must be on file. Only programs/ courses approved by the Office of Postsecondary Services may appear in a school's catalog.

Authority:

Public Act 148 or 1943, 340.479 Advertising policies of out-of-state schools and solicitors. (5) Catalogs or informational literature shall clearly state specific information regarding the prerequisite training requirements for admission to courses and the duration of each course.

390.564 Standards for operation. (4) The student's application form and contract shall correspond with the catalog furnished to the student. Any modification of the student's application and contract, as contained in the catalog, shall be agreed to, in writing, by all parties. The refund policy shall be stated in the contract.

390.564a Refund policy. Rule 4a. (1) A refund policy shall be described in clear, concise language in the contract, enrollment application, and school catalog. The enrollment contract shall outline the obligations of both the school and the student. (2) A refund policy shall provide the following: (a) The tuition and fees paid by the applicant shall be refunded if the applicant is rejected by the school before enrollment. An application fee of not more than \$25.00 may be retained by the school if the applicant is denied. (b) All tuition and fees paid by the applicant shall be refunded if requested within 3 business days after signing a contract with the school. (c) The policy shall adhere to the refund policies of applicable state, federal, and accrediting agencies. (3) All refunds shall be returned within 30 days.

390.565 School catalogs or comparable publications. Rule 5. A catalog or comparable publication shall be available to each student and shall clearly state all of the following: (a) Volume, number, or date of publication. Supplements to catalogs shall be filed with the Office of Postsecondary Services before their dates of effectiveness. All pages in the catalog shall be numbered. (b) Name of the school, its governing body, officials, and faculty. (c) Calendar of legal and scheduled holidays, vacation periods, and dates of each term or semester. (d) Enrollment dates and entrance requirements for each program. (e) Policy relative to absences, leaves, tardiness, make-up work, and interruption for unsatisfactory work or attendance. (f) Grading system and reenrollment conditions. (g) Student conduct and conditions of probation or dismissal. (h) Tuition charges and schedule of fees for student activities, laboratories, rentals, deposits, and other charges and refunds. (i) Course outlines, showing units of instruction, skills to be learned, and approximate clock hours of instruction in each course. (j) Credit allowed for previous education and training. (k) If equipment to be furnished by the school and essential to the training is located at a place other than the school, it shall be so stated in the catalog. (l) Whether specific placement assistance is available for enrolled students. (m) That a certificate of achievement or diploma is awarded to graduates. (n) Address of the central office, if different from the address of the school.

390.566 Advertising and recruitment. Rule 6 (1) The content of all published literature and advertising, illustrations, diagrams, and pictures shall convey only true meaning, relationships, and conditions supported by facts and statistics about the school, its management, instruction, offerings, and opportunities. (See Policy 9.0 - Advertising and Marketing).

Procedure:

A. Schools must submit a proposed hard copy or electronic version of the school catalog at the time of application or change. (See Policies 1.0 – New Schools, 3.0 – Renewals, and 6.0 – School Changes).

B. A school catalog will be approved only if it contains all of the following:

1. Catalog Volume Number or Publication Date.
2. School Name and Address.
3. Address of the central office, if different from the address of the school.
4. School Web Site Address.
5. Names of Governing Body.
6. Names of Administrators, Directors, Managers, Instructional Supervisors.
7. Instructors and their Approved Subject Matter.
8. Calendar of legal and scheduled holidays, vacation periods, and dates of each term or semester including class schedules.
9. Enrollment dates and entrance requirements for each program.
10. Policy relative to absences, leaves, tardiness, make-up work, and interruption for unsatisfactory work or attendance.
11. Grading system and reentrance conditions.
12. Student conduct and conditions of probation or dismissal.
13. Tuition charges and schedule of fees for student activities, laboratories, rentals, deposits, and other charges and refunds.
14. Course outlines, showing unit of instruction, skills to be learned, and approximate clock hours of instruction in each course.
15. Credit allowed for previous education and training.
16. If equipment to be furnished by the school and essential to the training is located at a place other than the school, it shall be so stated in the catalog.
17. Whether specific placement assistance is available for enrolled students.
18. Graduation Requirements.
19. That a certificate of achievement or diploma is awarded to graduates.
20. A refund policy shall be described in clear, concise language in the contract, enrollment application, and school catalog. The enrollment contract shall outline the obligations of both the school and the student.
21. Refund Policy Stating: “All tuition and fees paid by the applicant shall be refunded if the applicant is rejected by the school before enrollment. An application fee of not more than \$25.00 may be retained by the school if the application is denied. All tuition and fees paid by the applicant shall be refunded if requested within 3 business days after signing a contract with the school. All refunds shall be returned within 30 days.” (See R390.564a).

- C. Schools must submit the attached checklist (Attachment 1) as a new application or renewal indicating the page numbers where specific items are found. "Not Applicable" (N/A) will not be accepted and will result in the catalog being rejected and returned for revision.
 - 1. Schools must certify on the attached checklist that only approved program offerings appear in their catalog and website. (Attachment 1)
- D. The catalog shall be consistent with information found in student application forms and contracts. Any modification of the student's application and contract shall be agreed to, in writing, by all parties. Applications and contracts will be reviewed and approved by staff for consistency in language relative to refunds.
- E. Supplements to catalogs shall be filed with the Office of Postsecondary Services before their dates of effectiveness.

Attachment 1**SCHOOL CATALOG INFORMATION FORM**

Complete this catalog information form and submit with a copy of the school catalog.

SCHOOL NAME _____

CATALOG PUBLICATION DATE _____

SCHOOL ADDRESS _____

- ☐ A copy of the school catalog is enclosed.
☐ A copy of the student contract is attached.
☐ A student admissions application is attached.

Indicate the catalog page(s) on which the following catalog information is listed.
Each item must be addressed. "Not Applicable (N/A)" answers will not be accepted.

| <u>CATALOG CATEGORY</u> | <u>PAGE NUMBER</u> |
|--|--------------------|
| 1. Catalog volume, number or date of publication | _____ |
| 2. School name and address..... | _____ |
| 3. Address of central office..... | _____ |
| 4. School Web Site Address..... | _____ |
| 5. Names of Governing Bodies..... | _____ |
| 6. Names of Administrators, Directors, Managers, Instructional Supervisors | _____ |
| 7. Instructors and their approved subject matter | _____ |
| 8. Calendar of school holidays, vacation periods, and dates of each term or semester including class schedules... | _____ |
| 9. Enrollment dates and entrance requirements for each program..... | _____ |
| 10. Policy relative to absences, leaves, tardiness, make-up work, and suspension for unsatisfactory work or attendance and re-entrance conditions | _____ |
| 11. Grading system and reentrance conditions | _____ |
| 12. Rules of student conduct and conditions for probation or dismissal | _____ |
| 13. Tuition charges and fees for student activities, laboratories, rentals, deposits, and other charges..... | _____ |
| 14. Course Outlines, showing unit of instruction, skills to be learned, and approximate clock hours of instruction in each course | _____ |
| 15. Credit allowed for previous education and training..... | _____ |
| 16. Information regarding credit allowed for previous education and training..... | _____ |
| 17. If equipment to be furnished by the school are essential to the training is located at a place other than the school, it shall so be stated in the catalog | _____ |
| 18. Whether specific placement assistance is available for enrolled students | _____ |
| 19. Graduation requirements..... | _____ |
| 20. Type(s) of certificate(s) or diploma(s) issued..... | _____ |
| 21. Refund policy. Note: The school catalog must include the following statement or similar content..... | _____ |

"All tuition and fees paid by the applicant shall be refunded if the applicant is rejected by the school before enrollment. An applicant fee of not more than \$25.00 may be retained by the school if the applicant is denied. All tuition and fees paid by the applicant shall be refunded if requested within three business days after signing a contract with the school. All refunds shall be returned within 30 days.

PUBLIC ASSEMBLY AND AUXILIARY CLASSROOM

Policy:

A school may hold instruction at a public assembly site and/or auxiliary classroom(s) and will not be required to hold a separate site license. Schools must keep a written record of which public assembly and/or auxiliary sites they use, the dates the classes are held at these sites, and maintain copies of appropriate fire and/or safety inspection records for each site. These records must be made available to the Office of Postsecondary Services upon request. Schools that utilize public assembly and/or auxiliary classrooms shall list these sites on the Proprietary school website for public viewing whenever practicable.

Authority:

Public Act 148 of 1943 390.562 (5) “ A separate permit is required for each location at which instruction is offered, except a school may offer instruction at an auxiliary classroom or a public assembly site without obtaining a separate permit for that location. Schools such as income tax schools that offer identical programs at multiple locations under the same management for less than 6 months each year as stated on the application may submit 1 application for all sites and pay 1 fee.”

390.561 Definitions (k) states “Public assembly site” means a site located in a public educational institution or located in a public meeting area suitable for instruction. (c) states “Auxiliary classroom” means a facility which is used only for instruction by the proprietary school and which is located not more than 1 mile from the location at which the proprietary school is licensed to operate.

Public Assembly Site Criteria:

The following criteria will be used to determine if a school site meets the standards as a public assembly site.

1. The instructional site is not the primary site for instruction of the school and;
2. Only intermittent training is offered and the total length of any training at one site is less than 6 months in a year and;
3. No school office is located at the public assembly site and;
4. The room or other space in a building must accommodate students in an instructional setting compensatory to the approved program of study, including all connected rooms and space, which share a common means of entrance and egress and;
5. Place of public assembly does not include a private family dwelling and;
6. Appropriate fire and/or health and safety inspection reports are available upon request for State inspection.

Or:

1. The site is located at a Public University, Community College, or K-12 public school and the total length of training is less than 6 months in a year.

Or:

1. Instruction takes place at an employer's place of business for only employees of that employer. The facility is duly authorized by state or local municipalities to conduct business in that location. The total length of any training at one site is less than 6 months in a year.

Auxiliary Classroom Criteria:

The following criteria will be used to determine if a school site meets the standards as an auxiliary classroom.

1. The facility must be used only for instruction and;
2. The facility must be located not more than 1 mile from the location at which the proprietary school is licensed to operate and;
3. The room or other space in a building must accommodate students in an instructional setting compensatory to the approved program of study, including all connected rooms and space, which share a common means of entrance and egress and;
4. An auxiliary classroom does not include a private family dwelling and;
5. Appropriate fire and/or health and safety inspection reports are available upon request for State inspection

Certification and Assurance:

School operators will certify and assure that the provisions of this policy are adhered to at initial application for a license to operate a proprietary school and at each subsequent license renewal.

Inspection and Failure to Comply:

Adherence to this policy is subject to on site inspection. Failure to comply with this policy is a violation of the law and may be subject to corrective action and/or license suspension, license revocation, and/or criminal charges.

FEE SCHEDULE

Policy:

Fees are required for New and Renewal In-State and Out-of-State Applications, Change of a School Name, Change of a School Location, Addition of a Program, Closed School Transcript Searches, and In-State and Out-of-State Solicitor Permits.

The Office of Postsecondary Services will adjust fees annually according to the Detroit consumer price index. The adjusted fees will become effective July 1 of each year.

Authority:

Public Act 148 of 1943. 395.102a Inspection of proprietary schools; rules; reports; records; fees; board jurisdiction and control over proprietary schools and solicitors. Sec. 2a. (2) The board shall set and collect fees for licenses, temporary permits, and renewals issued under this act. The fees shall be used solely for administrative expenses incurred under this act.

Public Act 40 of 1963. 395.123 Solicitor; permit required; rules; solicitation for specifically listed school; knowledge of student financial aid programs; knowledge and information required; representation of more than 1 school; application for permit; surety bond; withdrawal; notice; annual fee; disposition, use, and adjustment of fee; expiration of permit. (6) An annual fee shall be charged for each solicitor's permit. The fee shall be \$125.00 for a solicitor representing a school domiciled in this state or \$225.00 for a solicitor representing a school domiciled outside of this state. The fee shall be deposited in the state treasury and credited to the department of education to be used solely for administrative expenses of this act and Act No. 148 of the Public Acts of 1943, being sections 395.101 to 395.103 of the Michigan Compiled Laws. The fee amounts established in this subsection may be adjusted by the state board of education. An adjustment of a fee established under this section shall be the same as the percentage of adjustment made for costs associated with the licensing provisions of a proprietary school under Act No. 148 of the Public Acts of 1943, as determined annually by the legislature.

390.562 Licensing procedure. Rule 2. (5) The department shall issue an applicant school a permit for a 12 month period before issuing a license. A permit authorizes the applicant to offer specific programs at a definite location under the management as stated on an application. A separate permit is required for each location at which instruction is offered, except a school may offer instruction at an auxiliary classroom or a public assembly site without obtaining a separate permit for that location. Schools such as income tax schools that offer identical programs at multiple locations under the same management for less than 6 months each year as stated on the application may submit 1 application for all sites and pay 1 fee as required by R 390.569. The permit expires on the date specified on the permit unless the date is extended, in writing, by the department, in which case it expires on the date specified in the written extension. The department shall evaluate the operation of a school under a permit for compliance with the act and these rules. This subrule prohibits the expiration of a permit if a school is involved in a hearing under sections 71 to 92 of Act No. 306 of the Public Acts of 1969, as amended, being SS24.271 to 24.292 of the Michigan Compiled Laws.

390.563 Continuation of licenses. Rule 3. (1) The department shall renew a school's license each year if a school has not engaged in any conduct prohibited by these rules and complies with all of the following provisions: (d) The annual fee is paid as prescribed by R 390.569.

390.569 Fees. Rule 9. (1) An applicant for a temporary permit shall pay a fee of \$1,000.00 for each temporary permit issued. An out state applicant for a new license shall pay a fee of \$400.00 for each new license issued. The department shall adjust fees annually and index the fees to the Detroit consumer price index, as published by the department of labor statistics, United States department of labor. (2) An applicant for renewal of a license shall pay a fee of \$300.00 for each renewal license issued if a total of 25 or fewer students started a licensed program during the period July 1 to June 30 immediately receding the license renewal date or if the school did not offer any instructional programs consisting of more than 40 hours of instruction. An applicant for a renewal of a license for a proprietary school that operates 1 or more instructional programs consisting of more than 40 hours of instruction shall pay a license renewal fee based on the following schedule of students who started licensed programs:

- (a) 26 to 50 students \$500.00.
- (b) 51 to 100 students 600.00.
- (c) 101 to 150 students 700.00.
- (d) 151 to 200 students 800.00.
- (e) 201 to 250 students 900.00.
- (f) 251 to 300 students 1,000.00.
- (g) 301 to 350 students. 1,100.00.
- (h) 351 to 400 students. 1,200.00.
- (i) 401 to 450 students 1,300.00.
- (j) 451 to 500 students 1,400.00.
- (k) More than 500 students. . . 1,500.00.

The department shall adjust fees annually and shall index the fees to the Detroit consumer price index, as published by the department of labor statistics, United States department of labor. (3) An applicant for renewal of a license shall pay a late payment fee of \$50.00 if the license is not renewed within 30 days after the due date. (4) A school that moves to a new location after the initial license was issued shall pay a fee of \$300.00 for approval of each change of location. (5) A school that submits a request for approval of a new curriculum to be added to its license shall pay a fee of \$500.00 for approval of each new curriculum. (6) A school that submits a request for a change of school name on its license will pay a fee of \$200.00. (7) A student who requests a copy of a transcript from a closed school will pay a fee of \$15.00.

Procedure:

A. Collection of Fees

1. The Office of Postsecondary Services shall collect fees for the following:
 - a. In-State Application
 - b. Out-of-State Application
 - c. Change of School Name
 - d. Change of School Location
 - e. Addition of Program
 - f. Transcript Search
 - g. Renewals
 - h. In-State Solicitors
 - i. Out-of-State Solicitors
2. Schools will submit fees by certified check or money order made payable to the State of Michigan.
3. The Office of Postsecondary Services will send checks and money orders to accounting for verification.
4. The Office of Postsecondary Services will enter the fee amount and receipt number into the database.
5. If the amount submitted is incorrect, the Office of Postsecondary Services will contact the payee for additional funds.

B. Fee Adjustments

1. The Detroit Consumer Cost Index will be used to determine the annual increase for all fees.
2. The resultant fee amount will be rounded to the nearest \$5.00 for all fees except for the transcript fee amount. The transcript fee amount will be rounded to the nearest \$0.50.

C. Refunds

1. A fee may be refunded if overpaid or paid in error.
2. The Office of Postsecondary Services will send a request to accounting, specifying the check or money order amount, receipt number, and amount to be refunded.
3. Accounting will process this request and send a check to the school.
4. The Office of Postsecondary Services will notify the school of this request.

UNLICENSED SCHOOLS

Policy:

A school suspected of operating unlicensed in the State of Michigan shall be notified in writing of the requirements for licensure. Upon notification of the license requirements, the school must apply for a license or provide an acceptable explanation of why they are not subject to the license requirement, no later than 7 days following the date notified. Failure to comply with license requirements or provide acceptable explanation shall result in the school/ business being notified in writing that they must immediately cease and desist all operations as a proprietary school. Operating a proprietary school without a license is a criminal misdemeanor. Upon notification to cease and desist, the matter shall be referred to the prosecuting attorney's office in the county where the school is located and to the Michigan Attorney General's office for possible legal action including prosecution.

Authority:

Private Trade Schools, Business Schools, And Institutes, Michigan Public Act 148 of 1943, 395.101 Sec. 1. (1), requires private trade schools, business schools, and institutes that use a certain plan or method to teach a trade, occupation, or vocation for consideration, reward, or promise of whatever nature to be licensed. Sec. 1. (1). A proprietary school shall secure from the board a license issued in the form prescribed by the board and in accordance with this act.

395.103 Violation of act as misdemeanor; penalty.

Sec. 3. A person who violates this act shall be guilty of a misdemeanor, punishable by a fine not to exceed \$1,000.00, or imprisonment for a period not to exceed 90 days, or both.

Procedure:

A. When a school is identified as operating without a license:

1. Data will be entered in the Unlicensed Schools database that indicates how the school was identified and the location of the alleged school. (Attachment 1)
2. The Director of Postsecondary Services or designee will review the file and sign the issuance of the Notification of Need to License letter allowing the school 7 days to submit an application for license or provide written explanation of why they are not subject to the license requirements. (Attachment 2)
3. Upon issuance of the Notification of Need to License letter, a record shall be established in the Unlicensed Schools database of all correspondence dates and the final disposition information. (Attachment 1)

- B. Schools that submit the required application for license or explanation of why they are not subject to the proprietary school license requirements shall be reviewed as follows:
1. A school that submits the required application shall be reviewed for compliance with all appropriate laws, rules, and regulations applying to the licensure of proprietary schools in the State of Michigan. If found to be in compliance, a permit to operate shall be granted upon receipt of the completed application. This permit to operate shall be in force for 1 year, at which time a license may be issued if the school maintains compliance with all appropriate laws, rules and regulations applying to the licensure of proprietary schools in the State of Michigan. Proprietary school licenses must be renewed each year.
 2. A school that submits an explanation of why it is not subject to the proprietary school license requirements shall be reviewed by staff and approved by the Director of Postsecondary Services or designee. If the explanation is accepted, a written acceptance shall be provided to the school (Attachment 3). Those schools denied under this step shall immediately be subject to step 3 and be issued a Cease and Desist letter.
- C. Failure by a school to submit an application for licensure or provide written explanation of why they are not subject to the license requirements within 7 days of notice:
1. A Cease and Desist Letter will be issued. The Director of Postsecondary Services will approve and sign the Cease and Desist Letter. (Attachment 4)
 2. Upon issuance of the Cease and Desist Letter, the matter shall be referred to the Michigan Attorney General's Office and to the prosecuting attorney in the county where the school is located. All supporting documentation shall be sent to the Michigan Attorney General's Office and to the local prosecuting attorney upon request.

Note: The cease and desist letter requires the school to stop its operation the date received or stated in the letter. (Stop all instruction, recruitment, and enrollment of students in the school/business.)

Attachment 1**Unlicensed Schools Database**

| | | | |
|-----------------------|--------------|-----------------|--|
| ID | (AutoNumber) | Date Identified | |
| School Name | | | |
| Street | | | |
| City | State | Zip | |
| | | | |
| Contact | | Phone | |
| Date Letter1 | Date Letter2 | Date Letter3 | |
| | | | |
| Prosecuting Attourney | | | |
| Staff | | | |
| Source | | | |
| Case Closed Date | | Disposition | |
| Comments | | | |

Attachment 2

DATE

ADDRESS

SALUTATION

The Michigan Department of Labor and Economic Growth, Proprietary School Unit, has become aware that you may be operating an unlicensed proprietary school in the State of Michigan. In some instances, operators of unlicensed schools are simply not aware of the licensing requirement.

Michigan Public Act 148 of 1943 requires private trade schools, business schools, and institutes that use a certain plan or method to teach a trade, occupation, or vocation for consideration, reward, or promise of whatever nature to be licensed. Be advised, violation of this state law can result in legal penalties including a fine and incarceration for owners and administrators. We have no records that indicate your school is currently licensed to operate in the State of Michigan.

You must respond to this notification within 7 days (no later than __/__/__) by completing and submitting the enclosed *Application for License to Operate a Private Trade School, Business School, or Institute in the State of Michigan* or by providing us with a written explanation of why you are not subject to this law.

For assistance, you may contact our staff:

| | | |
|-------------|--|---------------------|
| Ann Gross | grossa@michigan.gov | Phone: 517-373-6551 |
| Ann Bradley | bradleya@michigan.gov | Phone: 517-373-8216 |
| Becky Henry | henryb@michigan.gov | Phone: 517-373-2279 |

Failure to comply with this notice will require you to stop all operations including enrollment and recruitment of individuals. In addition, this matter will be referred to the local prosecuting attorney and Michigan Attorney General's Office.

Thank you for your cooperation on this matter.

Sincerely,

Michael Beamish
Postsecondary Education Specialist
Proprietary School Unit

Attachment 3

DATE

ADDRESS

SALUTATION

Thank you for your prompt reply to our correspondence dated_____, regarding the licensing of your facility as a proprietary school. Based on the information that you provided to our office we have determined that you currently do not fall within the scope of Public Act 143. Therefore, it is not necessary to license your facility. This determination is based on your statement(s) as attached.

Please be advised that if your situation changes, or is found to be different than what you have reported to us, it may be necessary for you to obtain a license as a proprietary school. Thank you for your cooperation in this matter.

If you have questions please contact us at 517/373-6774.

Sincerely,

Michael Beamish
Postsecondary Education Specialist
Proprietary School Unit

Attachment 4

DATE

ADDRESS

SALUTATION

You were provided written notice on ___/___/___ that the Michigan Department of Labor and Economic Growth, Proprietary Schools Unit, has become aware that you may be operating an unlicensed proprietary school in the State of Michigan. This notification required a response by ___/___/___ with either the provided *Application for License to Operate a Private Trade School, Business School, or Institute in the State of Michigan* or a written explanation of why you are not subject to Public Act 148 of 1943. As of this date, you have failed to comply with this notice.

Since we have no record that your school is currently licensed to operate in the State of Michigan, you must cease and desist all school operations including enrollment recruitment of individuals effective immediately. Be advised that this matter has been referred to the local prosecuting attorney and Michigan Attorney General's Office for consideration of prosecution. Violation of this state law can result in legal penalties including a fine and incarceration for owners and administrators.

Should you have any questions please contact Michael Beamish, Postsecondary Education Specialist, Proprietary Schools Unit at 517-373-6551.

Thank you for your cooperation on this matter.

Sincerely,

James Folkening
Director
Office of Postsecondary Services

Cc: Michigan Attorney General's Office
Local Prosecuting Attorney's Office

MICHIGAN LAWS, RULES AND REGULATIONS GOVERNING PROPRIETARY SCHOOLS

MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH

Office of Postsecondary Services

Proprietary School Unit

Victor Office Center, 4th Floor, 201 N. Washington

Lansing, Michigan 48913

Telephone: 517.373.6774

Fax: 517.373.2759

January 2004

Cover Explanation to the Michigan Laws, Rules and Regulations Governing Proprietary Schools

NOTICE TO THE PUBLIC

Executive Order 1996-12 (December 19, 1996) transferred all of the State Board of Education “statutory powers, duties, functions and responsibilities as relates to the Michigan Laws, Rules and Regulations Governing Proprietary Schools to the State Superintendent of Public Instruction.” The order further stated that the “State Board of Education shall retain its’ policy making authority with regard to these statutory provisions by determining the policies, if any, on which the administration of these provisions shall be based.”

The administrative statutory powers, duties, functions and responsibilities of the Superintendent of Public Instruction are set forth in provisions of the Michigan Compiled Laws regarding the administration of postsecondary services. The administrative statutory powers, duties, functions and responsibilities include:

1. mmm.388.1014a regarding the deposit and maintenance of records of non-operating educations agencies;
2. qqqq.395.101-102 regarding the issuance, renewal, and revocation of temporary and permanent proprietary school licenses;
3. rrrr.395.102a(2) regarding the receipt of reports and the collection of fees from proprietary schools;
4. ssss.395.102a(3) regarding the exercise of jurisdiction and control over proprietary schools
5. tttt.395.102b regarding the receipt of evidence of surety and indemnification from proprietary schools;
6. uuuu.395.123(6) regarding the authority to adjust fee schedules for solicitor permits for private schools;

Executive Order 1999-12 (October 1999) transferred those same previous State Board of Education statutory powers relating to the Michigan Laws, Rules and Regulations Governing Proprietary Schools from the Superintendent of Public Instruction to the Department of Career Development.

The attached laws, rules and regulations document developed under the authority of the State Board of Education prior to Executive Orders 1996-2 (December 19, 1996) and 1999-2 (October 1999) remains in effect. However, when reading these laws, rules and regulations, please keep in mind the following:

1. Any reference to the “Superintendent of Public Instruction” should be substituted with the “Director of the Department of Labor & Economic Growth.”
2. Any reference to the “Department of Education” should be substituted with the “Department of Labor & Economic Growth.”

NOTE: The two Executive Orders, mentioned above, do not affect the State Board of Education’s policy-making authority.

The Executive Order 2003-18 (October 2, 2003) transferred the authority from the “Department of Career Development” to the “Department of Labor and Economic Growth.”

Hence, all such historical reference of the Department of Education or the Department of Career Development must be referred to as the Department of Labor and Economic Growth.

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- 395.101a Definitions
- 395.102 Issuance of license; conditions; temporary permit to operate proprietary school; proposal; contents; duration of temporary permit; renewal.
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PRIVATE TRADE SCHOOLS, BUSINESS SCHOOLS,
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- Solicitors for Private Schools R 340.471–R 340.4793

PRIVATE TRADE SCHOOLS, BUSINESS SCHOOLS, AND INSTITUTES
Act 148 of 1943

AN ACT to provide for the regulation and licensing of proprietary schools in the state; to require surety; to provide for collection and disposition of fees; and to prescribe penalties for the violation of this act.

The People Of The State Of Michigan Enact

395.101 Proprietary school; license; duration; renewal; revocation; granting temporary permit or license to operate proprietary school in conjunction with another business or commercial enterprise prohibited. [M.S.A. 15.627(1)]

Sec. 1. (1) A proprietary school shall secure from the board a license issued in the form prescribed by the board and in accordance with this act.

(2) A license issued under this act shall be valid for not more than 1 year. If the applicant continues to comply with this act and the rules promulgated under this act, the license may be renewed.

(3) The license may be revoked at any time if, in the judgment of the board, the person to whom the license is issued is not complying with provisions of the law or the rulings of the board.

(4) A person shall not be granted a temporary permit or a license to operate a proprietary school as part of, or in conjunction with, another business or commercial enterprise which utilizes or sells goods or services produced by students.

History: 1943, Act 148, Imd. Eff. Apr. 14, 1943;--CL 1948, 395.101;--Am. 1949, Act 258, Eff. Sept. 23, 1949;--Am. 1967, Act 210, Eff. Nov. 2, 1967;--Am. 1983, Act 60, Imd. Eff. May 20, 1983.

395.101a Definitions. [M.S.A. 15.627(1a)]

Sec. 1a. As used in this act:

(a) "Board" means the state board of education.

(b) "Person" means an individual, partnership, corporation, association, organization, or other legal entity.

(c) "Proprietary school" means a school that uses a certain plan or method to teach a trade, occupation, or vocation for a consideration, reward, or promise of whatever nature. Proprietary school includes, but is not limited to, a private business, trade, or home study school. Proprietary school does not include the following:

(i) A school or college possessing authority to grant degrees

(ii) A school licensed by law through another board of this state

(iii) A school maintained or a program conducted, without profit, by a person for that person's employees.

History: Add. 1983, Act 60, Imd. Eff. May 20, 1983.

395.102 Issuance of license; conditions; temporary permit to operate proprietary school; proposal; contents; duration of temporary permit; renewal. [M.S.A. 15.627(2)]

Sec. 2. (1) A license shall not be issued until the applicant has operated under a temporary permit in a manner satisfactory to the board and until the board has approved the method and content of the advertising, the standards and the methods of instruction, the personnel, and the operating and instructional practices of the school.

(2) A temporary permit to operate a proprietary school may be granted on the basis of a written proposal submitted in the manner and form prescribed by the board. The proposal shall include plans for facilities, instructional procedures, personnel, business standards, and operating and instructional practices which comply with this act and with rules promulgated under this act. A temporary permit

issued under this act shall be valid for not more than 1 year. If the applicant continues to comply with this act and the rules promulgated under this act, a temporary permit may be renewed.

History: 1943, Act 148, Imd. Eff. Apr. 14, 1943;--CL 1948, 395.102;--Am. 1949, Act 258, Eff. Sept. 23, 1949;--Am. 1983, Act 60, Imd. Eff. May 20, 1983.

395.102a Inspection of proprietary schools; rules; reports; records; fees; board jurisdiction and control over proprietary schools and solicitors. [M.S.A. 15.627(2a)]

Sec. 2a. (1) The board shall provide for adequate inspection of all proprietary schools. The board shall promulgate rules pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.315 of the Michigan Compiled Laws, and employ the personnel necessary to carry out this act. A proprietary school shall submit reports required by the board and shall make available to authorized representatives of the board all records pertaining to the instructional program of the school or to any individual student or enrollee.

(2) The board shall set and collect fees for licenses, temporary permits, and renewals issued under this act. The fees shall be used solely for administrative expenses incurred under this act.

(3) The board shall exercise jurisdiction and control over proprietary schools and solicitors for proprietary schools consistent with this act and Act No. 40 Of the Public Acts of 1963, being sections 395.121 to 395.125 of the Michigan Compiled Laws.

History: Add. 1949, Act 258, Eff. Sept. 6, 1949;--Am. 1983, Act 60, Imd. Eff. May 20, 1983.

395.102b Evidence of surety; bond; amount; rules; expiration of surety; proof of renewal; failure to submit evidence of surety; applicability of section. [M.S.A. 15.627(2b)]

Sec. 2b. A proprietary school shall provide the board with evidence of surety conditioned to provide indemnification to a student suffering loss because of inability to complete an approved course or program of study due to the closing of the proprietary school. A surety may consist of a bond, the amount of which shall be determined according to rules promulgated by the board. Surety shall expire on June 30 following the date of issuance and proof of renewal shall be submitted to the board prior to the date of expiration. Failure to submit evidence of surety shall invalidate a license to operate a proprietary school. This section does not apply to a proprietary school with a license issued by the board prior to November 2, 1967.

History: Add. 1967, Act 210, Eff. Nov. 2, 1967;--Am. 1983, Act 60, Imd. Eff. May 20, 1983.

Complier's Notes: Former § 395.102b, pertaining to solicitor's permit for private trade schools and institutes, was repealed by Act 40 of 1963.

Administrative Rule: R 390.671 of the Michigan Administrative Code.

395.103 Violation of act as misdemeanor; penalty. [M.S.A. 15.627(3)]

Sec. 3. A person who violates this act shall be guilty of a misdemeanor, punishable by a fine not to exceed \$1,000.00, or imprisonment for a period not to exceed 90 days, or both.

History: 1943, Act 148, Imd. Eff. Apr. 14, 1943;--CL 1948, 395.103;--Am. 1983, Act 60, Imd. Eff. May 20, 1983.

**PRIVATE TRADE SCHOOLS, BUSINESS SCHOOLS, CORRESPONDENCE SCHOOLS, AND
INSTITUTES
Act 40 of 1963**

AN ACT to authorize private trade schools, business schools, correspondence schools and institutes to solicit students in this state; to provide for the issuance of permits to solicitors; to prescribe the powers and duties of the superintendent of public instruction; to provide penalties for violations of this act; and to repeal certain acts and parts of acts.

The People Of The State Of Michigan Enact

395.121 Definitions. [M.S.A. 15.633(1)]

Sec. 1. As used in this act:

(a) "Superintendent" means the superintendent of public instruction.

(b) "School domiciled in this state" means a private trade school, business school, correspondence school or institute licensed under Act No. 148 of the Public Acts of 1943, as amended, being sections 395.101 to 395.103 of the Compiled Laws of 1948, or incorporated under Act No. 327 of the Public Acts of 1931, as amended, being sections 450.1 to 450.192 of the Compiled Laws of 1948.

(c) "School domiciled outside of this state" means a private trade school, business school, correspondence school or institute located outside of this state and organized to give instruction in any form or manner in any trade, occupation or vocation for a consideration, reward or promise of whatever nature, but not a school possessing authority to grant baccalaureate degrees.

(d) "Solicitor" means a person or agent 18 years of age or over representing a school located within or outside of this state who personally attempts to procure students, enrollees or subscribers at a place or places other than the office or place of business of the school.

History: 1963, Act 40, Eff. Sept. 6, 1963;--Am. 1972, Act 35, Imd. Eff. Feb. 19, 1972.

395.122 Solicitor's permits; requirement; application, contents. [M.S.A. 15.633(2)]

Sec. 2. Solicitor's permits are required for solicitors representing schools domiciled in this state, or schools domiciled outside of this state which have been authorized by the superintendent to solicit students in this state. The authorization may be granted a foreign school upon the submission of an application form provided for this purpose by the superintendent which shall contain such information to enable the superintendent to evaluate the instructional program and practices of the school as well as its promotional and sales policies.

History: 1963, Act 40, Eff. Sept. 6, 1963.

395.123 Solicitor; permit required; rules; solicitation for specifically listed school; knowledge of student financial aid programs; knowledge and information required; representation of more than 1 school; application for permit; surety bond; withdrawal; notice; annual fee; disposition, use, and adjustment of fee; expiration of permit. [M.S.A. 15.633(3)]

Sec. 3. (1) A solicitor shall not personally solicit a prospective student to enroll in any school unless he or she applies for and obtains a permit from the superintendent, issued under rules promulgated by the superintendent in accordance with the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws.

(2) A solicitor shall not solicit a prospective student to enroll in a school other than a school specifically listed in the application and the permit.

(3) A solicitor shall possess knowledge regarding available state and federal student financial aid programs and shall inform prospective students of their obligations under student financial aid programs including, but not limited to, loan repayment obligations under federally guaranteed student loan programs.

(4) A solicitor who represents more than 1 school shall obtain a permit for each school he or she represents.

(5) Each application for a solicitor's permit shall be accompanied by a surety bond in the amount of \$5,000.00. The bond may be continuing and shall be conditioned to provide indemnification to a student suffering loss as a result of fraud or misrepresentation used in procuring the student's enrollment. The bond shall be supplied by the school as an individual or a blanket bond covering each of its representatives in the penal sum of \$5,000.00. The liability to be incurred under an individual or blanket surety bond shall not exceed \$5,000.00 in the case of any 1 solicitor. The surety may relieve itself of liability thereafter and withdraw from the bond upon giving 30 days' notice in writing to the superintendent.

(6) An annual fee shall be charged for each solicitor's permit. The fee shall be \$315.00 for a solicitor representing a school domiciled in this state or \$560.00 for a solicitor representing a school domiciled outside of this state. The fee shall be deposited in the state treasury and credited to the department of education to be used solely for administrative expenses of this act and Act No. 148 of the Public Acts of 1943, being sections 395.101 to 395.103 of the Michigan Compiled Laws. The fee amounts established in this subsection may be adjusted by the state board of education. An adjustment of a fee established under this section shall be the same as the percentage of adjustment made for costs associated with the licensing provisions of a proprietary school under Act No. 148 of the Public Acts of 1943, as determined annually by the legislature.

(7) Each solicitor's permit shall expire 1 year from the date of issuance.

History: 1963, Act 40, Eff. Sept. 6, 1963;--Am. 1983, Act 59, Imd. Eff. May 20, 1983;--Am. 1988, Act 244, Imd. Eff. July 11, 1988.

395.124 Solicitor's permits; revocation; contracts; violation of act, misdemeanor. [M.S.A. 15.633(4)]

Sec. 4. (a) Any solicitor's permit may be revoked by the superintendent upon 10 days' notice and after a hearing, if the holder of the permit solicits or enrolls students through fraud or misrepresentation.

(b) All contracts entered into in this state by schools or their solicitors and all promissory notes or other evidences of indebtedness taken in lieu of cash payments by such schools or solicitors shall be null and void unless the schools are duly licensed, approved or authorized to solicit prospective students and unless the solicitors have secured permits as required by this act.

(c) Any person violating any of the provisions of this act is guilty of a misdemeanor.

History: 1963, Act 40, Eff. Sept. 6, 1963.

395.125 Repeal. [M.S.A. 15.633(5)]

Sec. 5. Section 2b of Act No. 148 of the Public Acts of 1943, as added by Act No. 21 of the Public Acts of 1957, being section 395.102b of the Compiled Laws of 1948, is hereby repealed.

History: 1963, Act 40, Eff. Sept. 6, 1963.

HOME SOLICITATION SALES Act 227 of 1971

AN ACT to prescribe the rights and duties of parties to home solicitation sales.

The People Of The State Of Michigan Enact

445.111 Definitions.

Sec. 1. As used in this act:

(a) "Home solicitation sale" means a sale of goods or services of more than \$25.00 in which the seller or a person acting for the seller engages in a personal, written, or telephonic solicitation of the sale, the solicitation is received by the buyer at a residence of the buyer, and the buyer's agreement or offer to purchase is there given to the seller or a person acting for the seller. Home solicitation sale includes a sale arising from a postcard or other written notice delivered to a buyer's residence that requests that the buyer contact the seller or seller's agent by telephone to inquire about a good or service, unless a postcard or other written notice concerns a previous purchase or order or specifies the price of the good or service and accurately describes the good or service. Home solicitation sale does not include a sale made pursuant to a preexisting revolving charge account, a sale made pursuant to prior negotiations between the parties at a business establishment at a fixed location where goods or services are offered or exhibited for sale, a sale of insurance by an insurance agent licensed by the commissioner of insurance, a sale made pursuant to a printed advertisement in a publication of general circulation, or a sale of services by a real estate broker or salesperson licensed by the department of consumer and industry services. Home solicitation sale does not include a sale of agricultural or horticultural equipment and machinery that is demonstrated to the consumer by the vendor at the request of either or both of the parties.

(b) "Fixed location" means a place of business where the seller or an agent, servant, employee, or solicitor of that seller primarily engages in the sale of goods or services of the same kind as would be sold at the residence of a buyer.

(c) "Business day" means Monday through Friday and does not include Saturday, Sunday or the following business holidays: New Year's day, Martin Luther King's birthday, Washington's birthday, Memorial day, Independence day, Labor day, Columbus day, Veterans' day, Thanksgiving day, and Christmas day.

History: 1971, Act 227, Imd. Eff. Jan. 3, 1972;--Am. 1978, Act 152, Imd. Eff. May 18, 1978;--Am. 1980, Act 108, Imd. Eff. May 10, 1980;--Am. 1998, Act 126, Imd. Eff. June 10, 1998.

445.111a Telephonic solicitation using recorded message prohibited. [M.S.A. 19.416(201a)]

Sec. 1a. A home solicitation sale shall not be made by telephonic solicitation using in whole or in part a recorded message.

History: Add. 1978, Act 152, Imd. Eff. May 18, 1978.

445.112 Right of buyer to cancel home solicitation sale; time; notice of cancellation; restriction on right to cancel; sale subject to debtor's right to rescind. [M.S.A. 19.416(202)]

Sec. 2. (1) Except as provided in subsection (5) , in addition to any right otherwise to revoke an offer, a buyer has the right to cancel a home solicitation sale until midnight of the third business day after the day on which the buyer signs an agreement or offer to purchase which complies with this act.

(2) Cancellation occurs when the buyer mails or delivers the notice of cancellation provided for in section 3(2) or any other written notice, or sends a telegram, to the seller at the address stated in the notice of cancellation.

(3) A notice of cancellation or other written notice, if mailed to the seller, is given when it is deposited in a mailbox properly addressed and postage prepaid.

(4) A written notice or telegram given by the buyer other than the notice of cancellation need not take a particular form and is sufficient if it indicates by any form of written expression the intention of the buyer not to be bound by the home solicitation sale.

(5) A buyer may not cancel a home solicitation sale if the buyer requests the seller to provide goods or services without delay because of an emergency, and (a) the seller in good faith makes a substantial beginning of performance of the contract before the buyer gives notice of cancellation, (b) the buyer furnishes the seller with a separate dated and signed personal statement in the buyer's handwriting describing the situation requiring immediate remedy and expressly acknowledging and waiving the right to cancel the sale within 3 business days, and (c) in the case of goods, the goods cannot be returned to the seller in substantially as good condition as when received by the buyer.

(6) If a home solicitation sale is also subject to the debtor's right to rescind certain transactions, the buyer may proceed either under those provisions or under this section.

History: 1971, Act 227, Imd. Eff. Jan. 3, 1972;--Am. 1978, Act 152, Imd. Eff. May 18, 1978.

445.113 Written agreement or offer to purchase; contents; form; cancellation. [M.S.A. 19.416(203)]

Sec. 3. (1) In a home solicitation sale, unless the buyer requests the seller to provide goods or services without delay in an emergency, the seller shall present to the buyer and obtain the buyer's signature to a written agreement or offer to purchase which designates as the date of the transaction the date on which the buyer actually signs.

The agreement or offer to purchase shall contain a statement substantially as follows in immediate proximity to the space reserved in the agreement or offer to purchase for the signature of the buyer:

"You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right."

(2) The seller shall attach to the copy or cause to be printed on the reverse side of the written agreement or offer to purchase retained by the buyer a notice of cancellation in duplicate which shall appear as follows:

"notice of cancellation
(enter date of transaction)

(date)

You may cancel this transaction, without any penalty or obligation, within 3 business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may if

you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram to (name of seller) , at (address of seller's place of

(date)

I hereby cancel this transaction.

(date)

(buyer's signature) "

business) not later than midnight on

(3) The notices required by this section shall be in not less than 10-point bold type and shall be 2 points larger than the text of the contract. A written agreement or offer to purchase and the notice of cancellation attached to the agreement or offer shall be written in the same language as that used in any oral presentation which was given to facilitate sale of the goods or services. The seller shall enter on the blanks in the notice of cancellation the date of transaction, which is the date the buyer signs the written agreement, and the date for mailing the notice of cancellation. An error in entering this information shall not diminish the buyer's rights under this act.

(4) Until the seller has complied with this section, the buyer may cancel the home solicitation sale by notifying the seller in any manner and by any means of his or her intention to cancel.

History: 1971, Act 22, Imd. Eff. Jan. 3, 1972;—Am. 1978, Act 152, Imd. Eff. May 18, 1978.

445.114 Tender of payments or goods to buyer; failure to tender goods; effect of noncompliance. [M.S.A. 19.416(204)]

Sec. 4. (1) Except as provided in this section, within 10 days after a home solicitation sale has been canceled or an offer to purchase revoked the seller shall tender to the buyer any payments made by the buyer and any note or other evidence of indebtedness.

(2) If the down payment includes goods traded in, the goods shall be tendered in substantially as good condition as when received by the seller. If the seller fails to tender the goods as provided by this section, the buyer may elect to recover an amount equal to the trade-in allowance stated in the agreement.

(3) Until the seller has complied with the obligations imposed by this section the buyer may retain possession of goods delivered to him by the seller and has a lien on the goods in his possession or control for any recovery to which he is entitled.

History: 1971, Act 227, Imd. Eff. Jan. 3, 1972.

445.115 Demand by seller for return of goods; care and availability of goods; effect of failure to demand return of goods; compensation for services performed. [M.S.A.

19.416(205)]

Sec. 5. (1) Except as provided by section 4(3) , if a home solicitation sale has been canceled or an offer to purchase revoked, a seller may demand the return of goods delivered within 20 days after the cancellation or revocation. The buyer shall take good care of the goods and shall make the goods available for return to the seller at the buyer's residence. If the seller fails to demand return of the goods as prescribed in this subsection, the goods shall become the property of the buyer without obligation.

(2) If the seller has performed any services pursuant to a home solicitation sale before its cancellation, the seller is not entitled to compensation.

History: 1971, Act 227, Imd. Eff. Jan. 3, 1972;--Am. 1978, Act 152, Imd. Eff. May 18, 1978.

445.116 Refunds or penalties as set off or defense. [M.S.A. 19.416(206)]

Sec. 6. Refunds or penalties to which the debtor is entitled pursuant to this act may be set off against the debtor's obligation, and may be raised as a defense to an action on the obligation without regard to the time limitations prescribed by this act.

History: 1971, Act 227, Imd. Eff. Jan. 3, 1972.

445.117 Action for collection of home solicitation sale contract. [M.S.A. 19.416(207)]

Sec. 7. No person may bring any action in any court of this state for the collection of any home solicitation sale contract without proving that such person was at all times in compliance with this act.

History: 1971, Act 227, Imd. Eff. Jan. 3, 1972.

DEPARTMENT OF EDUCATION**PROPRIETARY SCHOOL UNIT****PROPRIETARY SCHOOLS**

(By authority conferred on the state board of education by sections 2a and 2b of Act No. 148 of the Public Acts of 1943, as amended, and section 15 of Act No. 287 of the Public Acts of 1964, as amended, being SS395.102a, 395.102b, 388.1015 of the Michigan Compiled Laws)

R 390.561 Definitions.

Rule 1. As used in these rules:

(a) "Accredited schools" means a school which has completed the accrediting procedures and which has been approved by 1 or more of the nationally recognized accrediting agencies and associations approved by the United States department of education. The approved accrediting agencies may include the following:

- (i) Association of accrediting council for independent colleges and schools.
- (ii) Accrediting commission for career schools/colleges of technology.
- (iii) Distance education and training council.
- (iv) Accrediting bureau of health education schools.

(b) "Act" means Act No. 148 of the Public Acts of 1943, as amended, being S395.101 et seq. of the Michigan Compiled Laws.

(c) "Auxiliary classroom" means a facility which is used only for instruction by the proprietary school and which is located not more than 1 mile from the location at which the proprietary school is licensed to operate.

(d) "Board" means the state board of education.

(e) "Course" means a component of a program in a particular subject area.

(f) "Department" means the department of education.

(g) "Full-time equated students" means a student or combination of students enrolled in regular attendance and receiving a full course of instruction with the total clock hours as prescribed by the school.

(h) "License" means the status provided to a proprietary school by the superintendent of public instruction under the requirement of the act when all conditions have been met satisfactorily by the school.

(i) "Permit" means a temporary permit to operate until a license is issued.

(j) "Program" means instruction, in any form or manner, in any particular trade, industrial, commercial, or service occupation.

(k) "Public assembly site" means a site located in a public educational institution or located in a public meeting area suitable for instruction.

(l) "School" means a proprietary school as defined in section 1a of the act. "School" does not include an educational institution or educational training program that is maintained or provided by an employer, without charge, to its employees or anticipated employees.

(m) "Surety" means a bond or insurance to provide indemnification to students suffering loss due to the closing of a school.

History: 1954 ACS 55, Eff. Aug. 14, 1968; 1979 AC; 1987 MR 1, Eff. Feb. 5, 1987; 1998 MR 12, Eff. Jan. 4, 1999.

R 390.562 Licensing procedure.

Rule 2. (1) A school shall furnish an application to the department that contains data concerning curriculum, instruction, facilities, and administration. The department shall evaluate the data.

(2) An applicant applying for a license shall file, with the department, evidence of surety payable to the state of Michigan to be used exclusively for indemnification to students suffering loss due to the closing of the school. The indemnification may take the form of insurance or a bond. An existing school that is applying for a license or permit shall use its count of current full-time equated students or the average full-time equated student figure for the preceding 12 months, whichever is greater. A school enrolling students for the first time may project the full-time equated student figure subject to readjustment 60 days following the start of the program.

(3) Housing and facilities shall conform to standards specified by the appropriate local and state authorities.

(4) An applicant for a temporary permit shall submit a business plan showing projected revenues and expenses for the first 3 years of operation. The business plan shall show a plan of action if the projected revenues are insufficient to operate the school.

(5) The department shall issue an applicant school a permit for a 12-month period before issuing a license. A permit authorizes the applicant to offer specific programs at a definite location under the management as stated on an application. A separate permit is required for each location at which instruction is offered, except a school may offer instruction at an auxiliary classroom or a public assembly site without obtaining a separate permit for that location. Schools such as income tax schools that offer identical programs at multiple locations under the same management for less than 6 months each year as stated on the application may submit 1 application for all sites and pay 1 fee as required by R 390.569. The permit expires on the date specified on the permit unless the date is extended, in writing, by the department, in which case it expires on the date specified in the written extension. The department shall evaluate the operation of a school under a permit for compliance with the act and these rules. This sub-rule prohibits the expiration of a permit if a school is involved in a hearing under sections 71 to 92 of Act No. 306 of the Public Acts of 1969, as amended, being SS24.271 to 24.292 of the Michigan Compiled Laws.

(6) The department shall issue a license if an evaluation of the school shows that it has been in compliance with the act and these rules for the previous 12 months.

(7) The board may revoke, or not renew, a school's license or permit for 1 or more of the following reasons:

- (a) Intentional violation of any commitment made in an application for a license or permit.
- (b) Furnishing false, misleading, or incomplete information to the department.
- (c) Violation of any provision of the act or these rules.

(8) The board shall not revoke a school's license or permit or refuse to renew a license or permit unless it conducts a hearing under sections 71 to 92 of Act No. 306 of the Public Acts of 1969, as amended, being SS24.271 to 24.292 of the Michigan Compiled Laws.

History: 1954 ACS 55, Eff. Aug. 14, 1968; 1979 AC; 1987 MR 1, Eff. Feb. 5, 1987; 1998 MR 12, Eff. Jan. 4, 1999.

R 390.562a Surety.

Rule 2a. (1) A school shall provide the board with evidence of surety to insure repayment to students as required by the act.

(2) If surety, as defined in R 390.561, is terminated, the school's license or permit shall expire if a surety is not secured to replace the expired surety. Notification, in writing, shall be given by the school to the department if surety is to expire or be terminated and not replaced.

(3) A school shall not enroll students following notice of cancellation of surety unless another form of surety has been provided.

(4) A surety shall be provided by a school in an amount determined according to the following:

(a) An accredited school shall provide evidence of surety of not less than \$5,000.00 for 1 to 100 full-time equated students, not less than \$7,500.00 for 101 to 500 full-time equated students, and not less than \$10,000.00 for 501 to 1,000 or more full-time equated students.

(b) A non-accredited school shall provide evidence of surety in an amount equal to \$200.00 per student, but not less than \$5,000.00.

History: 1987 MR 1, Eff. Feb. 5, 1987.

R 390.563 Continuation of licenses.

Rule 3. (1) The department shall renew a school's license each year if a school has not engaged in any conduct prohibited by these rules and complies with all of the following provisions:

(a) Meets the standards of operation under which the license was issued.

(b) Completes the annual special reports required by the department.

(c) The surety is renewed and, if necessary, adjusted annually.

(d) The annual fee is paid as prescribed by R 390.569.

(2) The department shall periodically inspect the school for compliance with these rules following issuance of the license or permit.

History: 1954 ACS 55, Eff. Aug. 14, 1968; 1979 AC; 1987 MR 1, Eff. Feb. 5, 1987; 1998 MR 12, Eff. Jan. 4, 1999.

R 390.564 Standards for operation.

Rule 4. (1) Owners shall have a satisfactory record of business integrity and ethical practices and shall possess financial resources adequate to fulfill the school's obligations.

(2) Data relative to the education, training, and experience of the administrative, supervisory, and instructional staff shall be submitted, on forms provided by the department, for evaluation as to the competency to instruct or supervise instruction in the subjects assigned. Instructional personnel shall have backgrounds of appropriate education or appropriate experience in the substantive field which they are assigned to teach. Instructional personnel who teach in a field requiring a certificate or license shall possess such a certificate or license.

(3) Financial records of cash receipts of the school, disbursement, assets, liabilities, and capital, as they relate to the requirements of law, shall be available for inspection by the department.

(4) The student's application form and contract shall correspond with the catalog furnished to the student. Any modification of the student's application and contract, as contained in the catalog, shall be agreed to, in writing, by all parties. The refund policy shall be stated in the contract.

(5) Student records, except records of grades, including enrollment data, payment of fees, attendance, progress, awards, interviews, and placement, shall be maintained for not less than 3 years following graduation. A student's grade records and transcripts shall be retained in perpetuity by the school and shall be available upon his or her request. A school that is no longer operating shall turn over its student records to the board.

(6) Tuition rates and all other costs shall be furnished to the department and the students. Books, tools, and other materials purchased by the student shall become his or her property.

(7) A student shall have the necessary aptitude, prerequisite education or training, and the physical qualifications required in the occupational field for which he or she is training.

(8) The class load for instruction shall be consistent with approved educational practices. A program shall not be offered unless approved by the department.

(9) Courses of instruction shall extend over a sufficient period to meet standards of trade and business practices. Outlines of lessons, units, or projects shall be available to the department.

(10) Equipment and materials shall meet local and state fire, health, safety, and sanitation requirements.

(11) A student who satisfactorily completes a program shall be given an appropriate certificate or diploma.

(12) A permit or a license may be revoked if the school is not complying with the law.

(13) A school shall notify the department before a change in location.

History: 1954 ACS 55, Eff. Aug. 14, 1968; 1979 AC; 1987 MR 1, Eff. Feb. 5, 1987.

R 390.564a Refund policy.

Rule 4a. (1) A refund policy shall be described in clear, concise language in the contract, enrollment application, and school catalog. The enrollment contract shall outline the obligations of both the school and the student.

(2) A refund policy shall provide the following:

(a) The tuition and fees paid by the applicant shall be refunded if the applicant is rejected by the school before enrollment. An application fee of not more than \$25.00 may be retained by the school if the application is denied.

(b) All tuition and fees paid by the applicant shall be refunded if requested within 3 business days after signing a contract with the school.

(c) The policy shall adhere to the refund policies of applicable state, federal, and accrediting agencies.

(3) All refunds shall be returned within 30 days.

History: 1987 MR 1, Eff. Feb. 5, 1987.

R 390.565 School catalogs or comparable publications.

Rule 5. A catalog or comparable publication shall be available to each student and shall clearly state all of the following:

(a) Volume, number, or date of publication. Supplements to catalogs shall be filed with the department before their dates of effectiveness. All pages in the catalog shall be numbered.

(b) Name of the school, its governing body, officials, and faculty.

(c) Calendar of legal and scheduled holidays, vacation periods, and dates of each term or semester.

(d) Enrollment dates and entrance requirements for each program.

(e) Policy relative to absences, leaves, tardiness, make-up work, and interruption for unsatisfactory work or attendance.

(f) Grading system and reentrance conditions.

(g) Student conduct and conditions of probation or dismissal.

(h) Tuition charges and schedule of fees for student activities, laboratories, rentals, deposits, and other charges and refunds.

(i) Course outlines, showing units of instruction, skills to be learned, and approximate clock hours of instruction in each course.

(j) Credit allowed for previous education and training.

(k) If equipment to be furnished by the school and essential to the training is located at a place other than the school, it shall be so stated in the catalog.

(l) Whether specific placement assistance is available for enrolled students.

(m) That a certificate of achievement or diploma is awarded to graduates.

(n) Address of the central office, if different from the address of the school.

History: 1954 ACS 55, Eff. Aug. 14, 1968; 1979 AC; 1987 MR 1, Eff. Feb. 5, 1987.

R 390.566 Advertising and recruitment.

Rule 6. (1) The content of all published literature and advertising, illustrations, diagrams, and pictures shall convey only true meaning, relationships, and conditions supported by facts and statistics about the school, its management, instruction, offerings, and opportunities.

(2) Misrepresentation as to any of the following is prohibited:

(a) Suitable jobs.

(b) Probable earnings.

(c) School facilities.

(d) Course of instruction.

(e) Operational policy.

(f) Management.

(g) Charges for tuition and fees.

(h) Available training equipment.

(i) Qualification of instructors.

(j) Placement activities of the school.

(3) Only such persons shall be listed or advertised as members of the staff or faculty as are regularly employed to give or directly supervise the instruction in 1 or more of the regular subjects in the school.

(4) The school shall not use blind advertisements to solicit prospective students nor shall it advertise in the "help wanted" or other employment column in newspapers or other publications. Advertising shall be in the name under which the school is licensed.

(5) A licensed school may advertise that it is licensed by the board under the laws of Michigan, but it shall not advertise that the school is recommended, endorsed, or approved by the board.

(6) An officer or employee of the school shall not knowingly induce a student to leave an educational institution at which he or she is in attendance and shall not induce a student to change his or her plans when he or she has enrolled in another school and paid a deposit.

History: 1954 ACS 55, Eff. Aug. 14, 1968; 1979 AC; 1987 MR 1, Eff. Feb. 5, 1987.

R 390.567 Home study schools.

Rule 7. The standards set forth in these rules apply to home study schools insofar as applicable.

History: 1954 ACS 55, Eff. Aug. 14, 1968; 1979 AC.

R 390.568 Rescission.

Rule 8. The rules entitled "Standards for Licensing and Regulation of Private Trade Schools, Business Schools, and Institutes in Michigan," being R 390.541 and R 390.542 of the Michigan Administrative Code, and appearing on pages 4012 and 4013 of the 1954 volume of the Code, are rescinded.

History: 1954 ACS 55, Eff. Aug. 14, 1968; 1979 AC.

R 390.569 Fees.

Rule 9. (1) An applicant for a temporary permit shall pay a fee of \$1,000.00 for each temporary permit issued. An out-of-state applicant for a new license shall pay a fee of \$560.00 for each new license issued. The department shall adjust fees annually and index the fees to the Detroit consumer price index, as published by the department of labor statistics, United States department of labor.

(2) An applicant for renewal of a license shall pay a fee of \$345.00 for each renewal license issued if a total of 25 or fewer students started a licensed program during the period July 1 to June 30 immediately preceding the license renewal date or if the school did not offer any instructional programs consisting of more than 40 hours of instruction. An applicant for a renewal of a license for a proprietary school that operates 1 or more instructional programs consisting of more than 40 hours of instruction shall pay a license renewal fee based on the following schedule of students who started licensed programs:

- | | | | |
|-----------------------------------|-----------|-------------------------------------|-----------|
| (a) 26 to 50 students | \$575.00. | (g) 301 to 350 students | 1,255.00. |
| (b) 51 to 100 students | 680.00. | (h) 351 to 400 students | 1,370.00. |
| (c) 101 to 150 students | 800.00. | (i) 401 to 450 students | 1,485.00. |
| (d) 151 to 200 students | 910.00. | (j) 451 to 500 students | 1,595.00. |
| (e) 201 to 250 students | 1030.00. | (k) More than 500 students. | 1,715.00. |
| (f) 251 to 300 students | 1,145.00. | | |

The department shall adjust fees annually and shall index the fees to the Detroit consumer price index, as published by the department of labor statistics, United States department of labor.

(3) An applicant for renewal of a license shall pay a late payment fee of \$50.00 if the license is not renewed within 30 days after the due date.

(4) A school that moves to a new location after the initial license was issued shall pay a fee of \$345.00 for approval of each change of location.

(5) A school that submits a request for approval of a new curriculum to be added to its license shall pay a fee of \$5750 for approval of each new curriculum.

(6) A school that submits a request for a change of school name on its license will pay a fee of \$225.00.

(7) A student who requests a copy of a transcript from a closed school will pay a fee of \$17.50.

(8) The department shall use the fees in sub-rules (1) to (7) of this rule entirely for the administrative expenses incurred by the department to carry out the act.

(9) A school or person shall make a payment under this rule by certified check or money order made payable to the state of Michigan. **History:** 1987 MR 1, Eff. Feb. 5, 1987; 1998 MR 12, Eff. Jan. 4, 1999.

DEPARTMENT OF EDUCATION
STATE BOARD OF EDUCATION
SOLICITORS FOR PRIVATE SCHOOLS

(By authority conferred on the state board of education by section 3 of Act No. 40 of the Public Acts of 1963, being S395.123 of the Michigan Compiled Laws and section 14 of Act No. 287 of the Public Acts of 1964, being S388.1014 of the Michigan Compiled Laws)

R 340.471 Schools' authority to solicit students.

Rule 1. A private trade school, business school, correspondence school or institute, hereinafter referred to as a school, may solicit students, by individual solicitors to whom permits have been granted by the state board of education, as follows:

(a) A school located in this state which is licensed under Act No. 148 of the Public Acts of 1943, as amended, being SS395.101 to 395.103 of the Michigan Compiled Laws, or incorporated under Act No. 327 of the Public Acts of 1931, as amended, being SS450.1 to 450.192 of the Michigan Compiled Laws.

(b) A school located outside of this state which has secured a certificate of compliance from the state board of education according to R340.473.

History: 1954 ACS 51, Eff. Aug. 15, 1967; 1979 AC.

R 340.472 Solicitors' permits.

Rule 2. (1) Upon written application of any private trade school, business school, correspondence school or institute, a permit may be issued to a solicitor to represent such school licensed or incorporated as provided in R 340.471(a) or which has received a certificate of compliance under R 340.471(b).

(2) A solicitor must be of good moral character.

(3) When soliciting students statements made by solicitors of the school shall not be false or misleading.

(4) When soliciting students in Michigan, a solicitor shall have on his person the current permit issued to him, which shall clearly indicate his name and the name of the school he represents. The school shall notify the state board of education when the employment of a solicitor is terminated and notify the solicitor to return his permit to the state board of education.

(5) Within 10 days of termination of employment the solicitor shall return the permit to the state board of education. Willful failure to do so constitutes grounds for invalidating solicitor permits held by the individual or for his securing of future permits.

History: 1954 ACS 51, Eff. Aug. 15, 1967; 1979 AC.

R 340.473 Certificates of compliance for out-of-state schools.

Rule 3. (1) An out-of-state school desiring to solicit students in Michigan shall file a written application on a form provided by the state board of education.

(2) A certificate of compliance to an out-of-state school to solicit students in Michigan shall be issued to the school at a specific address in a definite location under a specified management to offer a specified curriculum. Change in any of 1 of these invalidates the certificate. In such case, or when a school ceases to operate, the certificate shall be returned to the state board of education with appropriate explanation of the change in status.

(3) A certificate of compliance to an out-of-state school to solicit students in Michigan remains in effect so long as the school observes the law and the rules and regulations promulgated by the state board of education. A certificate may be revoked if, after written notice and opportunity for a hearing, the state board of education determines that the school management is not complying with the provisions of the law or the rules of said board.

History: 1954 ACS 51, Eff. Aug. 15, 1967; 1979 AC.

R 340.474 Management or governing boards of out-of-state schools.

Rule 4. (1) In its written application, the management or governing board of a school shall be identified as a person or persons of integrity in character and business practices.

(2) The school shall file in writing with the state board of education personnel qualification data for administrators, directors and other administrative or management personnel employed by the governing body.

(3) The financial resources of the management or governing board shall be adequate to the realization of the announced instructional objectives.

History: 1954 ACS 51, Eff. Aug. 15, 1967; 1979 AC.

R 340.475 Selection of students by out-of-state schools.

Rule 5. (1) A student selected for a course shall have the general ability, prerequisite training or previous experience essential to pursuing a specified course with reasonable assurance of success. A student shall have the physical and educational qualifications required in the occupational field for which he is to receive training.

(2) No officer, employee or agent of a school shall solicit a student to leave an institution in which he is in attendance, whether a high school, college, university or other trade school, business school or institute; nor shall he seek to induce a student to change his plans when the student has signed an enrollment form and paid a registration fee in another school.

History: 1954 ACS 51, Eff. Aug. 15, 1967; 1979 AC.

R 340.476 School records and tuition rates for out-of-state schools.

Rule 6. (1) Adequate and complete registration, attendance and achievement records shall be kept for each student and made available to him or to an authorized representative of the state board of education upon request.

(2) Tuition rates shall be filed with the state board of education. Subsequently increased rates shall not be applied to a student for the term or course in which he is currently enrolled. Rates published in school literature or any other media shall be in accordance with rates on file with the state board of education.

(3) The tuition rates and the refund policy shall be clearly stated on the registration, enrollment or contract form which the student signs.

(4) Charges for instructional supplies and equipment apart from the tuition fee shall be specified. Such supplies and equipment shall become the property of the student on the date of purchase.

History: 1954 ACS 51, Eff. Aug. 15, 1967; 1979 AC.

R 340.477 Instructional practices of out-of-state schools.

Rule 7. (1) The school shall file with the state board of education instructional personnel qualification data for all instructional personnel. Instructional personnel shall be competent to instruct or supervise instruction in the subjects assigned to them.

(2) The average class and pupil load per teacher shall be consistent with educational practices in the subject matter field concerned.

(3) Each course shall be planned to cover the subject adequately, shall be clearly presented, and treated in accordance with best current knowledge and practice of trade or business standards. Duration of training shall extend over a period of time sufficient to complete the course material within standards appropriate to the subject and the requirements of the trade or occupation.

(4) Outlines in the form of lessons, units, or projects shall be available to the state board of education for each course offered.

History: 1954 ACS 51, Eff. Aug. 15, 1967; 1979 AC.

R 340.478 Correctional service of out-of-state schools.

Rule 8. (1) The school shall file with the state board of education, instructional personnel qualification data for all people involved in correctional service. Such personnel shall have the ability to score and constructively criticize examination and other evaluative papers submitted by students and to direct students involved in overcoming observed deficiencies.

(2) A correspondence school shall provide for the prompt and accurate correction of papers and the return to the student.

(3) Where objective type tests or lessons are employed, adequate provision shall be made for the accurate correction of such tests by machine or by personal check. Technically competent personnel shall interpret such scores to the student and indicate further study required.

(4) If the school employs essay-type or other special tests or assignments not admitting of objective scoring devices, they shall be corrected and criticized by persons technically competent to make such corrections.

History: 1954 ACS 51, Eff. Aug. 15, 1967; 1979 AC.

R 340.479 Advertising policies of out-of-state schools and solicitors.

Rule 9. (1) For publicity or advertising purposes, a school or its solicitors shall use the name and home address of the school as stated in the certificate of compliance.

(2) A school shall not promise or imply guarantee of placement of students.

(3) Content of all published literature and advertising, illustrations, diagrams and pictures shall convey only true meaning, relationships and conditions supported by facts and statistics about the school, its management, instruction, offerings and employment opportunities of its graduates.

(4) Only such persons shall be listed or advertised as members of the staff or faculty as are regularly employed to give or supervise the instruction in 1 or more of the regular subjects in the school.

(5) Catalogs or informational literature shall clearly state specific information regarding the prerequisite training requirements for admission to courses and the duration of each course.

(6) A school shall not solicit students through the "Help Wanted" columns of newspapers or periodicals or by means of "blind" advertisements.

(7) A school shall not advertise that it is recommended, endorsed or approved by the Michigan state board of education.

(8) Copies of proposed advertising shall be submitted with each application for a certificate of compliance.

History: 1954 ACS 51, Eff. Aug. 15, 1967; 1979 AC.

STAFF DIRECTORY
OFFICE OF POSTSECONDARY SERVICES

| | |
|--|---------------------------------------|
| <u>James H. Folkening</u> | <u>517.373.3820</u> |
| Director of Office of Postsecondary Services | <u>folkeningj@michigan.gov</u> |

| | |
|--|------------------------------------|
| <u>David Hanson</u> | <u>517.373.6552</u> |
| Higher Education Consultant for Educational Corporations & Veterans Education | <u>hansond@michigan.gov</u> |

| | |
|------------------------------------|-------------------------------------|
| <u>Michael Beamish</u> | <u>517.373.6806</u> |
| Postsecondary Education Specialist | <u>beamishm@michigan.gov</u> |

| | |
|---------------------------------|-------------------------------------|
| <u>Ann Bradley</u> | <u>517.373.8216</u> |
| Analyst for Proprietary Schools | <u>bradleya@michigan.gov</u> |

| | |
|--|-----------------------------------|
| <u>Becky Henry</u> | <u>517.373.2279</u> |
| Analyst for Proprietary Schools & Veterans Education | <u>henryb@michigan.gov</u> |

| | |
|--------------------------|-----------------------------------|
| <u>Ann Gross</u> | <u>517.373.6551</u> |
| Administrative Assistant | <u>grossa@michigan.gov</u> |

| | |
|-----------------------------------|---------------------------------------|
| <u>Lisa Williams</u> | <u>517.373.4219</u> |
| Specialist for Veterans Education | <u>williamslm@michigan.gov</u> |

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|---|----------------------------------|
| <u>Valerie Pung</u> | <u>517.373.6872</u> |
| Student Assistant for Proprietary School Unit | <u>pungv@michigan.gov</u> |

PROPRIETARY SCHOOL LICENSING SOURCES

The following information is provided to help prospective schools with State of Michigan license requirements.

Most privately operated organizations that offer non-degree occupational training for a fee or other consideration are legally required to be licensed by the Michigan Department of Labor and Economic Growth's (MDLEG) Proprietary Schools Unit. Nonprofit organizations offering occupational training are also subject to licensing requirements. Schools that are headquartered in another state but offer training at a Michigan location must have the appropriate Michigan license. (Authority: Public Act 148 of 1943 as amended.)

Schools that are located in another state but collect fees from, recruit, and serve Michigan residents must apply for a certificate of compliance. Each solicitor must be licensed by MDLEG Proprietary Schools Unit to solicit business in Michigan. (Authority: Public Act 40 of 1963.)

Schools that prepare students to enter certain specialized occupations may be licensed or approved by a State of Michigan agency other than the Michigan Department of Labor and Economic Growth, or by both MDLEG Proprietary Schools Unit and another State agency. If an area of study is not specifically listed below, then the Proprietary School Unit is responsible for program approval and school licensing requirements.

If you have questions or need a license application, you may call MDLEG Proprietary Schools Unit at 517-373-6774. License applications and further information is available on the Proprietary Schools Unit's Web site at www.michiganps.net.

Aeronautics Schools:

Aeronautics schools and programs teaching flying and ground work relative to flying are inspected and licensed annually by the Michigan Department of Transportation, Bureau of Aeronautics, Capital City Airport, Lansing, Michigan 48906. For information on Aeronautics schools and programs, contact Susan Kutson at 517-335-9719. For a listing of aeronautics schools licensed by the Michigan Department of Transportation, you can log on to www.michigan.gov/aero. Select Licensing, Permits, and Registration and then select Licensed Michigan Flight Schools.

Schools teaching aircraft mechanics, dispatchers and technicians are licensed by the Proprietary School Unit.

Asbestos Abatement/Hazardous Material Training Programs:

The Michigan Department of Labor and Economic Growth, Construction, Safety and Health Division, Asbestos Program, 7150 Harris Drive, P.O. Box 30671, Lansing, Michigan, 48909 license Asbestos Abatement/Hazardous Material Training schools and programs. For information on Asbestos Abatement/Hazardous Material Training schools and programs, please contact Sue Baldwin at 517-322-1320. For further information, log on to www.michigan.gov/cis. Select MIOSHA then Compliance then Asbestos Program.

Barber Schools:

The Michigan Department of Labor and Economic Growth, Board of Barber Examiners, P.O. Box 30018, Lansing, Michigan 48909 licenses Barber schools and programs. For information on Barber schools and programs, contact Susan Hensley at 517-241-9258. For further information, log on to www.michigan.gov/cis. Select Commercial Services and Corporations, then Professional and Occupational Licenses then Barbers.

Cosmetology Schools:

The Michigan Department of Labor and Economic Growth, Board of Cosmetology, P.O. Box 30018, Lansing, Michigan 48909 license Cosmetology schools and programs. For information on Cosmetology schools and programs, contact Susan Hensley at 517-241-9258. For further information, log on to www.michigan.gov/cis. Select Commercial Services and Corporations, then Professional and Occupational Licenses, then Cosmetology.

Commercial Vehicle Training Programs:

Truck driver training schools and programs are licensed by the Michigan Department of State, Program Operations Division, 430 West Allegan Street, 3rd Floor, Lansing, MI 48918. For information on truck driver training schools and programs, contact Karen Fedewa at 517-241-6860. For further information, log on to www.michigan.gov/sos.

Exceptions: The Proprietary School Unit licenses heavy equipment schools. Driver Training programs are licensed by the Michigan Department of Education. The phone numbers are 517-373-0763 or 517-373-3677. For further information, log on to www.michigan.gov/mde. Select Administrators, then MDE Programs and Services, then Driver Training and Pupil Transportation.

Emergency Medical Services (EMS) Programs:

The Proprietary School Unit of the Michigan Department of Labor and Economic Growth licenses all EMS schools. These schools must also have their individual programs approved by the Michigan Department of Community Health, EMS and Trauma Systems Section, 320 South Walnut Street, P.O. Box 30717, Lansing, Michigan 48909. For information on EMS programs, contact Robin Shivley at 517-241-3024. For further information, log on to www.michigan.gov/healthlicense, Select Emergency Medical Services.

Insurance Training Programs:

The Michigan Department of Labor and Economic Growth, Office of Financial and Insurance Services (OFIS), approves all continuing education and pre-licensure training providers.

For information on insurance training programs, contact Marlene Bukoski, at 517-335-2071. For further information, log on to www.michigan.gov/ofis. Select Licensing, then Agents - Securities.

Nursing Programs:

The Proprietary School Unit of the Michigan Department of Labor and Economic Growth licenses all schools offering non-degree Registered Nursing and Licensed Practical Nurse training. These schools must also have their individual programs approved by the Michigan Board of Nursing, Department of Community Health, Bureau of Health Professions, P.O. Box 30670, Lansing, Michigan 48909.

For information on nursing schools and programs, contact Margaret Jones at 517-373-4674. For further information, log on to www.michigan.gov/healthlicense.

Nurse Aide Training:

The Proprietary School Unit of the Michigan Department of Labor and Economic Growth licenses all Nurse Aide training programs conducted by non-state licensed nursing homes. This also includes Nurse Aide training programs conducted by state licensed nursing homes if they provide training to anyone other than their own employees or employees of another state licensed nursing home. In all instances, these schools must also have their individual programs approved by the Department of Community Health, Bureau of Health Systems, P.O. Box 30670, Lansing, Michigan 48909. For information on nurse aide programs, contact Linda Osstifin at 517-241-3728. For further information, log on to www.michigan.gov/healthlicense.

Real Estate:

The Proprietary School Unit of the Michigan Department of Labor and Economic Growth licenses all Real Estate schools. These schools must also have their individual programs and instructors approved by the Michigan Department of Labor and Economic Growth, Testing and Education Services, P.O. Box 30018, Lansing, Michigan 48909. For information on Real Estate schools and programs, contact Diane Bailey at 517-241-9231. For further information, log on to www.michigan.gov/cis. Select Commercial Services and Corporations, then Professional and Occupational Licenses, then Real Estate.

PROGRAMS AND COURSES

Policy:

The Office of Postsecondary Services must approve all programs and/or courses offered by a licensed school. All programs and/ or courses must be approved by Office of Postsecondary Services before being advertised or offered. A school may only offer instruction that has been approved by the Office of Postsecondary Services as a program or a course. Schools shall identify programs and courses following the definitions in the United States Department of Education, National Center for Education Statistics, Classification of Instructional Programs (CIP Manual). Each approved program or course must be taught by a qualified instructor approved by the Office of Postsecondary Services. Schools are required to obtain instructor approval from the Office of Postsecondary Services before classes commence (Ref. Administrative Guideline 8.0, School Personnel).

Applicable fees must be paid to add a new program(s) to an existing license before advertising or offering.

Authority:

Public Act 148 of 1943; 395.102 Issuance of license; conditions; temporary permit to operate proprietary school; proposal; contents; duration of temporary permit; renewal. Sec. 2. (1) A license shall not be issued until the applicant has operated under a temporary permit in a manner satisfactory to the board and until the board has approved the method and content of the advertising, the standards and the methods of instruction, the personnel, and the operating and instructional practices of the school

395.102a Sec. 2a. (1). A proprietary school shall submit reports required by the board and shall make available to authorized representatives of the board all records pertaining to the instructional program of the school or to any individual student or enrollee.

390.561 Definitions (e) states "Course" means a component of a program in a particular subject area.

390.561 Definitions (j) states "Program," means instruction, in any form or manner, in any particular trade, industrial, commercial, or service occupation.

390.565, Standards for Operation. Rule 4 (8); The class load for instruction shall be consistent with approved educational practices. A program shall not be offered unless approved by the department. (9) Courses of instruction shall extend over a sufficient period to meet standards of trade and business practices. Outlines of lessons, units, or projects shall be available to the department. (10) Equipment and materials shall meet local and state fire, health, safety, and sanitation requirements. (12) A student who satisfactorily completes a program shall be given an appropriate certificate or diploma.

390.565, School Catalogs or Comparable Publications. Rule 5. A catalog or comparable publication shall be available to each student and shall clearly state all of the following: (i); Course outlines, showing units of instruction, skills to be learned, and approximate clock hours of instruction in each course. (m) That a certificate of achievement or diploma is awarded to graduates.

390.566, Advertising and recruitment. Rule 6. (1) The content of all published literature and advertising, illustrations, diagrams, and pictures shall convey only true meaning, relationships, and conditions supported by facts and statistics about the school, its management, instruction, offerings, and opportunities. (2) Misrepresentation as to any of the following is prohibited: (d) Course of instruction.

390.569, Fees. Rule 9. (5) A school that submits a request for approval of a new curriculum (program) to be added to its license shall pay a fee of \$500.00 for approval of each new curriculum (program). (Fees are adjusted annually for inflation pursuant to R 390.569(2).

Procedure:

- A. Schools must submit new or revised programs for approval identified with appropriate CIP codes and include the qualifications of a qualified instructor(s) and pay applicable school license or new program fees prior to offering or advertising the new program or course.
- B. Staff shall process a new school application for a license to assure compliance with this policy and the criteria below. Staff shall process applications for proposed new programs to be added to an existing license to assure compliance with this policy and the criteria below.
 - 1. Programs and courses shall be identified and listed on the school license following the definitions in the United States Department of Education, National Center for Education Statistics, Classification of Instructional Programs (CIP Manual). CIP codes provided by the school will be matched with program descriptions and approved by staff for appropriate designation.
 - 2. The school may use a name other than that listed in the CIP Manual. The program and/or course description will be used to identify which CIP code most accurately represents the program or course content.
 - 3. Individual courses shall be grouped into instructional programs. Approved courses may be offered individually or as part of a larger program. An individual content course shall be approved and authorized separately on the license under a CIP Code if the broad educational objectives do not relate in combination with another course of study. A diploma or certificate designates the completion of the program or course if the course is independent and not dependent upon another within a sequence. A student who satisfactorily completes a program shall be given an appropriate certificate or diploma.
 - 4. Continuing education courses, general customized training or other individual courses outside of a program and unrelated in content will be approved and grouped under a single CIP code- General Studies- 24.0102. The school may use a name other than that listed in the CIP Manual. All individual courses under this heading must be described in the catalog and approved by the Office of Postsecondary Services.
 - 5. All information published by the school (i.e. catalogs, websites, and advertising) must be identical with State approved programs / courses as stated on the license.

6. Staff shall review and approve the existence of a qualified instructor for each approved program or course. Each personnel form submitted for approval shall clearly indicate what program/ course an instructor is qualified to teach.
7. Staff shall verify that all applicable fees have been paid by the school.
8. Out-of- state schools must document that additional new programs/courses have been approved by the home licensing body through the submission of a new license or other acceptable documentation.
9. A new or revised license shall be reviewed by the Office Director or designee before issuance to the school.

C. Criteria

1. Class: Is a subunit of a course and is a subunit of a program of study. A class will not be listed on a license.
2. Course: A course generally consists of a number of areas of subject matter that are organized into learning units for the purpose of attaining a specific educational or vocational objective. Organized instruction in the units comprising the course is offered within a given period of time and credit toward graduation or certification is generally given.
3. Program: A combination of courses and related activities organized for the attainment of broad educational objectives described by the institution. A certificate of achievement or diploma is generally awarded to graduates.
4. New Program: If credit hours, program hours, course content, or program length change more than 50 percent within the license year, the program is considered new and is subject to the new curriculum fees.